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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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PROPOSE LOWER WAGE SCHEDULES FOR RAILWAYMEN

A Development of Outstanding Importance From Business Standpoint

FREIGHT COSTS

Prepares Way for Normal Production Costs and Resumption of Business and Industry On Large Scale

The irrevocable law of supply and demand may be depended upon to gradually supply a solution to the problem of overcoming the stagnation which at the moment dominates the business world. Already in the present situation there is evidence of the truths embodied in this old economic principle and the process of adjustment is being slowly worked to the point from which a turn for the better may confidently be expected to materialize.

Up to the present the chief handicap to business has been the high cost of production, chiefly arising out of the high rates of wages. Notwithstanding the fact that the cost of basic commodities has subsided to near normal, consumers have been required to pay what in comparison appears an exorbitant price for the finished goods. This condition has been brought out by the fact that production costs have until the present remained at practically the top level attained since the war. The volume of unemployment in this country has assumed large proportions, and the way has therefore been prepared for the introduction of a general and substantial reduction in labor costs. There have been many cases of resistance, but in view of the condition of the labor market opposition is hopeless and is bound to end in defeat.

The most important development of weeks from a business point of view is the decision of the American Railway Labor Board to recommend reduction of wages to railway employees. The Canadian Railway Association has taken action, too, and points out that the Canadian railways have issued notices to their employees that the time had come for a general revision of wages and working conditions. It has been stated that a general adjustment of wages in a downward direction to railway employees will be made about July 1, although the extent of the cut has not yet been determined.

Significant Move

This is a significant movement and has an important bearing upon business and industry generally. Up until the present the wages of railway employees have remained at the highest level. Wages have contributed a large percentage of railway operating costs, and have been largely instrumental in keeping freight charges at a point where they were generally regarded as excessive, and where in many instances they acted in restraint of trade. Excessive operating costs have tended to inflate the costs of all materials carried in this way, and as in many cases where the product is handled several times by freight before reaching the ultimate consumer the aggregate cost of the accumulating freight charges would reach a substantial figure and would have an important bearing on the final price of the article or goods.

Then again in the wages of railway operators a basis of comparison was established with other lines of trade, which served to render reductions liable to more than the normal amount of discontent. The situation is now, however, in the process of adjustment, and the way is being prepared for an accelerated movement toward normal costs in practically every line of production. Reports from various parts of the country indicate that the railway employees will in all probability accept the inevitable without vigorous protest.

In fact the necessity for lower operating costs is being brought home to the men in an emphatic manner through the closing of large railroad

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BREAK IN EXCHANGE

New York Bankers Speculate As to the Cause

New York bankers were without advice as to the exact cause of the weakness on the London exchange markets early this week. Several theories were offered. Consensus was that it is due to the accumulation of dollar credits by the Reparations Commission. A few days ago it was officially announced that the German reparation payments would be converted into American funds because they are less susceptible to violent fluctuations. One prominent banker stated that Germany will be asked to remit directly to New York rather than to Paris and London. This demand for American funds would, of course, tend to cause a rise in dollars abroad. This, in turn, would cause a decline in the foreign exchanges here.

IF DIVIDEND SAFE STEAMERS' INQUIRY MAY BE ABANDONED

Those Behind it Declare Main Object Has Been Achieved

MONEY FROM LONDON

From Our Own Correspondent.

MONTREAL.—Those who have been working in the direction of a shareholders' committee in connection with Canada Steamship Lines claim that the absence of a demonstration of inquiries at the annual meeting this week was quite in line with their plans. THE FINANCIAL POST understands that if the present plans for financing the company succeed and the preferred dividend is continued there may be no further move by those interested. For the movement so far as it went was primarily a preferred shareholders' effort to preserve the preferred dividend which at the time appeared to be in danger.

One of those interested speaking of the recent developments said they were quite satisfied if the company was able to arrange for more money and keep up the dividends. There was a feeling that those who were thought to have benefited by the sale of various vessels should be content to take over some of the company's securities and thus aid in the financing for which they had in part been responsible. If this was done, he thought the shareholders would be content, for there was no desire to do anything that would embarrass the directors of the company in their efforts to finance. This was the reason, he declared, why the committee at work had made no public announcement while financing negotiations were in progress. Had the preferred dividend failed to be paid, he added, a demand would have been made for an investigation. Now this may be dropped.

Announcement made in London on Wednesday was confirmed by the company's officials here that an issue of £1,000,000 ($5,000,000) of debentures at 8 per cent. had been underwritten by Dun, Fisher & Co., and would be offered to investors at 95 or 96. According to the by-law ratified by the shareholders some ten days ago, this issue will be secured by $8,000,000 of 5 per cent. debentures.

SWIFT & CO. OWNERSHIP

Over Forty Thousand Shareholders, Including Fourteen Thousand

Swift & Co. is owned by more than 40,000 shareholders scattered throughout the world. Of that number 13,000 are women and about 14,000 are employees. Individual holdings average only about 37 shares. It would require 900 of the largest shareholders pooled together to vote 51 per cent. of the outstanding stock.

In every state of the U. S. there are holders of Swift & Co. stock, with the largest number in Illinois where 8,684 are recorded. Illinois holdings, however, are less than those of the two states of Massachusetts and Connecticut where holders total 9,051, Massachusetts and the Boston district having 5,764. There are 4,826 holders of Swift stock in New York and Pennsylvania.

"IRON" AND SCOTIA GET DIVIDEND ONLY FROM "MERGER"

Last Common Payments Have Been Made by Old Companies

TO CALL IN SOON

Then Both Will Disappear From Trading—How Conversion Values Work Out on "Merger" Sales

From Our Own Correspondent.

MONTREAL.—With the listing of the shares of the British Empire Steel Corporation on the local exchange this week the anomaly was witnessed of the common stock of Dominion Steel Corporation selling side by side with the others, the new preferred and common. This tended to cause some confusion as to the actual status of the common stock of Dominion Steel, and inquiry was made as to how long it would be continued to be traded in.

When this point was taken up by THE FINANCIAL POST officially the situation was explained thus: As far back as April 16 there had been deposited with the two trust companies sufficient script of the British Empire Steel Corporation to cover the requirements of the conversion of the total number of common shares of the Dominion Steel Corporation and the Nova Scotia Steel & Coal Co. The first shares were actually converted on April 18. Since that time a large number have been changed over. Technically the holder of a common share certificate of either of the two constituent companies has no rights so far as either is concerned; his only right is that of conversion into the merger stock, second preferred and common.

Will Soon Call in Common

Just when the common stock of the two companies will be called in and trading discontinued on the Exchange has not been determined. There is a disposition to allow a reasonable period for all holders to exchange, and then notice will be sent out fixing a certain date by which the balance must be exchanged. This exchange is compulsory so far as the common stock is concerned, by the Act passed by the Legislature of Nova Scotia. When this date comes it is presumed that trading of the two common stocks on the Canadian exchanges will cease.

No Provision For Exchanging Preferred

No provision has yet been made for exchanging the preferred stocks of the different companies into the series B of the British Empire Steel Corporation. This exchange is not compulsory. Nor has any of this preferred stock, ranking with series A, been handed out and hence there is no trading on the exchange.

So far as the common shareholders of Dominion Steel are concerned, and of Scotia as well, it would appear that they have no rights at the annual meeting of either company. This voting right is held by the preferred shareholders and by the British Empire Steel Corporation as the holder of the common stock of the constituent companies.

No More Dividends on Common

"Will there be a dividend declared on the common stock of Dominion Steel Corporation?" was asked. This dividend is payable usually on the first of each quarter, so that the next one would be due on July 1.

The answer was in the negative. By that time probably the transfers of common stock will be complete, and the only dividend paid the original holder would have to come through the merger. This could only be declared by the merger through action on the part of each company in voting a certain amount of the earnings to the British Empire Steel Corporation in virtue of its being a holder of common stock. Then the dividend declaration would come in the form of a dividend on the second preferred stock of the merger into which the common stocks are being converted, and not, presumably, for some time on the common stock of the merger. Thus the last dividend has been paid on

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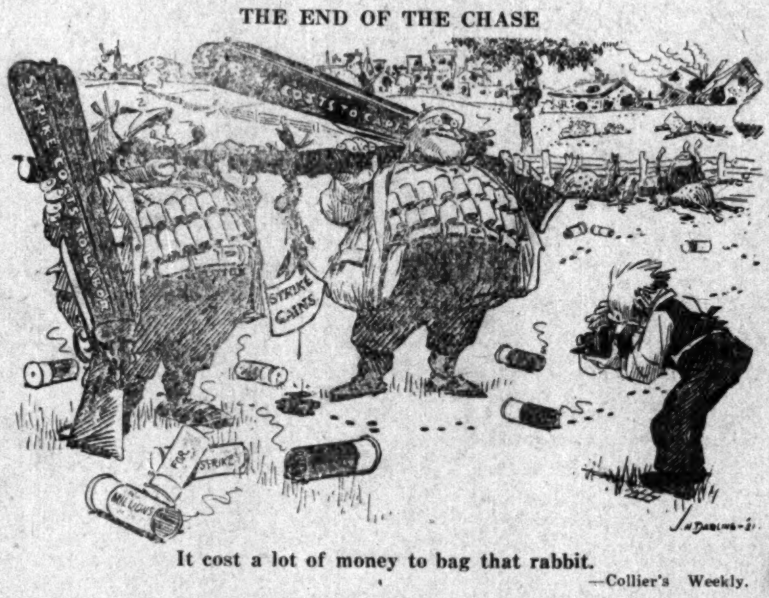
THE END OF THE CHASE



It cost a lot of money to bag that rabbit.

—Collier's Weekly.

Economic Weaknesses of The Hydro Radial Scheme

Trend of the Sutherland Investigation Indicated by Significant Evidence Brought Out by Mr. Helmuth Examining Hydro Expert Witnesses

For the first time since the Sutherland Royal Commission began its session of enquiry into the proposed Hydro radial programme a real innings was given Wednesday afternoon to two features that are regarded by many as the most important of all as affecting the people of Ontario in particular and Canada in general. The one was the practicability of electrifying national lines east and west of Toronto and the other was the economic problem arising out of the construction of a new system of railways in this province at a cost of many millions, which it is admitted by technical witnesses will take away a large volume of earnings of existing rail- [illegible] national roads there was, of course, a deficit last year of $68,000,000.

Paramount Public Features

During the several months over which the sittings of the Commission have extended these points have not infrequently been touched upon, but generally with brevity. Wednesday afternoon, however, in the absence of R. S. Robertson, counsel for unorganized municipalities, I. F. Hellmuth, K.C., began a cross-examination of Mr. Sager, managing engineer of the B. J. Arnold Engineering Company, of Chicago, which firm has been working for about eight months preparing a voluminous report, in favor of radials, on behalf of the Hydro Electric Power Commission. Day after day the technical details, the estimates of passenger and freight earnings, etc., have been under discussion. The differences between the findings of the Arnold firm and estimates put in by Hydro engineers, by W. S. Murray, of New York, an early expert witness for the Hydro, have already been pointed out in previous reports appearing in THE FINANCIAL POST, but over and above masses of figures, engineering and operating data, curves, maps and a score of other features that are not easily digestible by the public, are two or three aspects that have a vital and far-reaching importance.

It was upon these that Mr. Hellmuth based many pertinent and significant enquiries. They are the larger phases, upon which, after all, governments, commission and public opinion, as the court of last appeal, must reach conclusions.

Conceived as Opponents of Private Roads

To have a proper appreciation of their meaning it should be borne in mind that when the Hydro radial project was launched, when speeches were made in its behalf and when by-laws were submitted to municipalities, the Grand Trunk and Canadian Northern Railways were privately owned and operated systems. The radials were proposed in competition, that is publicly owned lines versus privately owned. Since then the public ownership policy has been extended till these two large systems have come under government control and the people of Canada, of whom those in the Province of Ontario comprise upwards of one-third, have had to pay higher rates to meet operating charges and in addition there was a deficit on the national lines in 1919 of $48,000,000 and on the same lines in 1920 of twenty millions more. As Commissioner McCallum remarked in his questions, the people have to take care of a deficit now of over a million dollars a week.

Dealing with electrification of present roads, Mr. Hellmuth wanted to know from the Arnold engineer what there was to hinder the national system from electrifying some of the tracks, say from Bowmanville to Toronto, Hamilton and St. Catharines. If they put on an interurban service they could do it before the Hydro lines could be built and where would the Hydro earnings be in that instance? Mr. Sager, like other railway witnesses who have preceded him, knew of nothing to prevent electrification, but he did not think the present tracks were adequate to carry the various kinds of train movements required.

Commission McCallum then remarked that another track could be added on the present right of way and that the electrification could be carried out at many millions less than the construction of new lines. "With the economic situation and enormous deficits as they are," said the commissioner, "railway construction in Canada has got, surely, to be reduced to a minimum."

Electrification is Practicable

The electrification of portions of steam roads has been carried out on some of the large systems of the United States, France and England.

Mr. Hellmuth said the economic side of the situation had not appar-

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GOOD CROP OUTLOOK IN SASKATCHEWAN

The Wheat Acreage is Little Changed But Flax Likely to be Reduced

The Department of Statistics of Saskatchewan wires that wheat seeding is practically completed and 35 per cent. of oats sown. The high winds have done no damage. Weather ideal and moisture conditions good. The growth is good and the prospects unusually bright.

Advices by mail indicate that while wheat acreage is little changed there will be a big drop in flax sown. Because of the market price, now far below the figures of former years, 90 per cent. of Saskatchewan farmers have cut down the amount of acreage which they usually seed in flax and replaced the area with wheat, according to reports received from more than 200 farming points in the province. Farmers declare that they must receive $2.50 a bushel for flax in order to make money. As the market is now around the $2 mark Saskatchewan growers have seeded only what they can use themselves.

PRICE MOVEMENTS ON STOCK MARKETS STILL IRREGULAR

While Activity Continues to Follow Highly-constrained Lines

INDUSTRIALS WEAKER

Exchanges Await Adjustment Of Some Problems Confronting Business—Reducing Operating Costs

The week just closed has been practically devoid of constructive feature in so far as the stock markets are concerned, and market activity continues to follow highly constrained lines. There has been a conspicuous absence of buoyancy, and in the face of unrelenting depression prices for the most part have settled to still lower levels. Practically every member of the group has suffered, and one or two of the larger industrials have developed reactions of substantial proportions.

The general industrial list is weaker, while the papers are unsettled, mainly owing to the difficulties which several of the companies are encountering in settling the wage question. Unfavorable dividend announcements from the other side have tended to further intensify the feeling of uncertainty.

The stock market has settled back and is awaiting a definite adjustment of some of the problems that have been delaying a return of activity in industrial and business circles. The chief handicap of the moment is the fact that production costs are well above normal, and the cost of commodities to the consumer is thereby enhanced out of proportion with the cost of raw or basic materials. A general revision of the wages of the employees of railway companies is expected to be introduced in a month's time, and this should have an important bearing upon business as a whole, in paving the way for a reduction of freight costs, and a general lowering of wages in other lines of industry.

Reports from the industrial centres of the Dominion lead to the conclusion that business is still highly unsettled without any definite indication in evidence that a turn is nearly approaching.

THE POST

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When a man dies without leaving a will, the members of his family find themselves in much confusion;—What is to be done about the business? How are these securities to be divided?
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The fact remains, however, that no settlement of an unwilled estate can ever be satisfactory to everybody. Someone will have a lifetime of thinking,—"I know Father would have planned things so differently."
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JUDGE GARY SEES A SOLUTION OF LABOR PROBLEMS

Chairman of United States Steel Outlines Plan for Industrial Peace

PUBLICITY, CONTROL

Would Test Sincerity of Labor Unions by Submission to Control That Would Regulate Capital and Labor

"Possibly there is a solution of, or antidote to the labor union problem," said Judge Elbert H. Gary, speaking before the twentieth annual meeting of the United States Steel Corporation.

"I do not believe in socialism; in governmental management or operation; but I do advocate publicity, regulation and reasonable control through government agencies. Laws—clear, well defined, practicable and easy of comprehension—covering these matters, might be passed, and if so they should apply to all economic organizations, groups or bodies exceeding certain specified numbers or amounts. Both organized capital and organized labor should be placed under these laws. Each should be entitled to the same protection and be subject to the same restrictions and provisions.

Will labor unions consent to this? They have heretofore objected. Here would be a test. Labor union leaders have before now asked and received discriminatory exemptions. This is wrong and it would be just as bad if the situation were reversed. Employers generally desire only the same treatment that is accorded to labor unions. The large majority of workmen also would be satisfied with this standard."

The U. S. Steel Policy

Judge Gary dealt at some length with labor conditions in the United States and the general policy adopted and followed by the corporation towards its employees and with the labor unions. He stated that the corporation did not combat, nor contract or deal with labor unions, as such. He recognized that unions may have been justified in the past, as he believed workmen had not always been treated fairly; because of lack of experience or otherwise they had been unable to secure their rights; and therefore required outside assistance in order to secure such rights. But he asserted that in the opinion of a large majority, even of employees themselves, there was now no necessity for labor unions, and that no benefit will accrue through them to other than the union labor leaders. Analyzing the situation of the unions Judge Gary remarked:

"In the United States not more than ten to fifteen per cent. of labor is actually included in the membership of unions. Workmen do not voluntarily join unions, they are constantly and persistently solicited to become members. If they refuse they may, in usual cases, be assaulted and perhaps members of their families insulted or threatened. I have never heard of books being kept or accounts rendered to the rank and file.

"The natural and certain effects of labor unionism are expressed in three words: inefficiency, high costs. And be it remembered that in the end the general public must pay. I would not intentionally do an injustice to any union labor, nor to a labor union. But I firmly believe complete unionization of the industry of this country, as attempted, would be the beginning of industrial decay. The end sought by labor unions that, at least, to which their ends tend, means disaster and destruction."

Employees Are Stockholders

In striking contrast with the intolerant utterances recently expressed by Samuel Gompers, against employers of labor, and the principles of equity and consideration which the Steel Corporation has always endeavored to show towards its employees:

"The management of the Steel Corporation has steadfastly striven to cultivate a feeling of amity with the workmen and has been very successful. During the twenty years of our existence there has not been material hostility shown or serious complaint made to the management by our workmen themselves, either individually or in committees or groups formed by them (as permitted by our practice), which has not been cheerfully considered by the management and promptly disposed of to the mutual satisfaction of both parties. Our employes in groups, or as individuals, at all times, have access to the office of the foreman or to any other superior officer, even to the highest.

The managers themselves, generally speaking, are stockholders and many, if not most of them, have been and are quite large holders considering their pecuniary resources. At present about one third in number of the stockholders are employees."

The solution of the problem of labor unions is so vital to the health of the nation, that some equitable basis certainly must be found. To date there is no great leader of either party who has definitely expressed any workable opinion satisfactory to both sides, or proposed any acceptable scheme which would lead to the productive peace of co-operation. However, while details of operation are lacking, the broad principles of equity and superior control, here suggested by Judge Gary, seem to point to a possible path.

AFTER TRICKY MERCHANTS

Reformers Hunt Out Men Who Cancel and Return Goods

Plans to prepare a list of persons and firms guilty of unjust cancellations of orders and returns of shipments are being worked out by the executive committee of the Credit Guide department on unjust cancellations, according to New York advices. Manufacturers, wholesalers and jobbers throughout the country are to be requested to file the names of those who have indulged in these practices. The co-operation of Secretary Hoover has been asked.

"The practice of returning merchandise ordered in good faith," the committee points out, "has the effect of permitting unfair competition between the legitimate merchant who abides by honorable tactics and decent merchandising and the one who feels no obligation to carry out his part of commercial agreements."

COMMERCE COURSE ALBERTA UNIVERSITY

A Four-year Training Course for Professional Business Men

From Our Own Correspondent.

EDMONTON.—A full four-year course in commerce, leading to the degree of bachelor of commerce, will be added to the curriculum of the University of Alberta, beginning next term. This has been decided by the senate of the university, and it is regarded in business circles as a move in the right direction.

The entrance tests for the new course will be the same as in arts, and the first year's work will be identical with that of the arts course. The remaining years, however, will cover the specialized subjects of accountancy, economics, special mathematics and other subjects directly connected with business practice. First and second year work will be taken up in 1921-22.

MANUFACTURERS TOLD OF SALES TAX

J. S. Bache Puts Effective Arguments Before New York Convention

There have been certain criticisms offered of the sales tax principle as embodied in the budget of Sir Henry Drayton. A number of these will find an answer in the following statement made before the National Association of Manufacturers at New York by J. S. Bache, who was one of the first American advocates of this form of taxation:

"Professional experts and chartered accountants have attempted to decry the Sales Tax. But the opposition of all these simmers down to an objection to it on the grounds of its being a consumption tax, pure and simple. Whenever it is being discussed or noted in the course of its operation as a 1% tax, it is not a tax, but an overhead charge, or a charge to be added to the cost of merchandise which is passed along to the ultimate consumer, and, when it reaches the ultimate consumer, in nine cases out of ten, it will be neither spoken of, seen nor felt, except in large transactions, for it is my belief that, ultimately, in the smaller retail trade the very largest percentage of it will be absorbed by the seller and become a part of his overhead, as it will have been up to the time when it reaches the retailer.

"The Sales Tax, if enacted, will, with the exception of the money raised through customs duties and the tobacco tax, be the only honest tax in its application and its results that we have on the statute books. It will be honest because every cent collected under it will go to the United States Treasury, and, because it states in its initiation that it is a consumption tax, pure and simple, paid in totality by the ultimate consumer, while the other taxes are consumption taxes, thinly or wholly disguised, but nevertheless consumption taxes. To my mind the dominant party in Washington is face to face with three alternatives in taxation—a Sales Tax, a Capital Tax, or a huge deficit.

"An argument that has been used against the Sales Tax is that it would favor large companies which control products from the raw material to the finished article stage. I do not believe that the advantage accruing to the self-contained company through such a condition would be worth discussion. But the Turnover Tax can be made punitive on such self-contained corporations by compelling them to absorb the 1% tax every time they fabricate a new product current in commerce, which they do not sell to the public as such, but use in the further development of their ultimate product or finished article."

RAILROAD SHOPS CLOSE

Big Plants Shut Down At Montreal

The Grand Trunk Railway announced that its shops at Pointe St. Charles would be closed for ten days because of slack operations. It is understood that the Canadian Pacific also will close its Angus shops, but the date has not been announced. Approximately 6,000 men will be affected.

FUEL PROBLEM TO BE SOLVED BY LOWERING COSTS

New York Herald Suggests That Producers and Miners Get Together

AS TO JOBS AND WAGES

Many Are Now Reported To Be Out of Work in the Soft Coal Field in the United States

In answer to the New York Herald's declaration that coal prices must come down, as all other prices are coming down, the Anthracite Bureau of Information registers its exception because, it submits, coal production and distribution costs are so high. E. W. Parker, director of the bureau, says among other things:

"In the face of present cost of production no material reduction can be made in the mine price of anthracite without eliminating a substantial portion of the necessary tonnage or compelling its production at serious loss to the higher cost companies. Some mines are now idle for the simple reason that present prices do not permit of their operation at a profit.

"There are three factors involved in the cost of coal to the consumer, namely, production, transportation, and local distribution. Including the advance in wages granted by the President's Anthracite Coal Commission last year, the aggregate increase in the labor cost of anthracite over the pre-war period has been 138.6 per cent. (see Monthly Labor Review of United States Department of Labor, October, 1920, p. 104), and the award of this commission fixes the rate of wages until March 31, 1922. The labor cost in the production of anthracite represents over 70 per cent. of the total expense. The cost of supplies, such as timbering, mine rails, explosives, etc., have practically doubled. The wholesale price of domestic anthracite, according to the Monthly Labor Review (February, 1921, p. 51), has increased 98.5 per cent.

"It is a matter of common knowledge that freight rates have been advanced approximately 100 per cent., and there is no reason to believe that the retailers' expenses have not increased in the same proportion. The anthracite operators, however, have nothing to do with either the cost of transportation or of local distribution."

But the very point of the New York Herald's declaration was that whether coal prices were so exorbitant as they now are because of excessive profits, because of excessive labor costs, because of excessive costs of supplies or because of excessive costs of distribution, the costs of production must be got down as in all other industries so that the price to the public may be got down as in all other business. The Herald repeats:

"At a time when steel plants, textile mills, railroads, express companies and other industries are readjusting war inflation production costs and lowering war inflation prices the coal trade cannot expect to stay up in the war inflation clouds and get away with it."

Mr. Parker asks how the increased wages granted by the president's commission because of the advancing cost of living, notwithstanding the existence of a four-year contract, could be reduced before the termination of the award. Well, declares the Herald, there are hundreds of thousands of idle miners in the soft coal fields imploring consumers to buy coal so that they can get work. Of what use to them is their war inflation wage scale when no job goes with it? In the anthracite fields there may not yet be so much idle labor as in the soft coal fields. But if the coal is not bought and will not be bought because the cost to the consumer is too high there must come widespread idleness among the anthracite miners, as there now is among the bituminous miners. And, too, what good can the war inflation wage scale of anthracite miners be to them when no job goes with it?

When the coal producers are berating the public for not buying coal and the coal miners are beseeching the public to buy coal so that they can earn a living, why don't the producers and the miners make an effort to get together on some agreement to lower the cost of production and the selling prices so that the public will buy coal?

AMERICAN EXPORTS

Foreign Business in Agricultural Implements Is Growing

In exports from the United States the only items showing an increase over last year in March were agricultural implements, other than plows and structural iron and steel, two items which are being largely used in the restoration of the devastated districts of Europe. The decrease in the value of automobile exports is attributed to the fact that falling prices have enabled the American market to consume almost the entire output of the American factories. This item also was affected by the recent closing for a time of many of the large automobile manufacturing plants.

THE UNION BANK OF AUSTRALIA, LTD.
Established 1837. Incorporated 1880
CAPITAL—
AUTHORIZED AND ISSUED £7,500,000
Paid-up Capital....£2,500,000
Res. Fd., £2,570,000 Together £5,130,000
Res. Liab. of Proprietors.... 5,000,000
Total Capital and Reserve. £10,130,000
Head Office 71 Cornhill, London, E.C. 3
The Bank has 181 Branches, viz:

In Victoria	42
In New South Wales	38
In Queensland	19
In South Australia	14
In Western Australia	20
In Tasmania	3
And in NEW ZEALAND.	46

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Incorporated 1855
Capital & Reserve $9,000,000
Over 130 Branches
THE MOLSONS BANK
Many commercial failures might be avoided if business men would discuss their difficulties with their bank manager. For this purpose the experience of The Molsons Bank is at your service.
EDWARD C. PRATT
General Manager

5% AND ABSOLUTE SECURITY
Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.
The Empire Loan Company
Winnipeg, Man.

Long Term Eastern Municipals
on an
Attractive Basis
W. F. MAHON & CO.
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Robert Cassels W. G. H. Browne
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Cassels, Browne & Co.
Members Toronto Stock Exchange
318 Dominion Bank Building
TORONTO
Direct Private Wire to New York, Chicago and Washington

ANGLIN - NORCROSS
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Contracting Engineers and Builders
MONTREAL TORONTO HALIFAX

W. ROSS ALGER & CO.
Investment Bankers
Dealers in Government, Municipal and School Bonds.
We Specialize in Western Bond Issues
EDMONTON and CALGARY, ALBERTA

The Red Man's Heritage

THE rich resources of a continent slumbered undisturbed beneath the Red Man's sway.

It took the genius and the courage of the White Man to bring to fruition the Red Man's Heritage.

Yet to-day we have scarcely touched the surface of Canada's dormant wealth.

In the fuller development that is beginning, the humblest can share. Modern co-operative financing makes that possible.

Certain industrial securities, representing basic Canadian development, we can recommend as a *progressively profitable* investment. We will be glad to furnish full particulars of these on request.

Graham, Sanson & Co
LIMITED
INVESTMENT BANKERS
Members Toronto Stock Exchange
85 Bay Street, TORONTO
37 James St. S., HAMILTON

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100 (new) Newspaper Ads. for	$4.00
100 (new) Circular Letters	5.00

SYSTEM BANK ADVTSG. & LETTER SHOP
321 Hall Bldg. - Kansas City, Mo.

PRACTICAL BUILDINGS
COBB
ARCHITECT, TORONTO

THE NOBLE FARM NOW IN LIQUIDATION

A Royal Bank Official is Named as Receiver of Big Enterprise

By consent of all parties concerned, a receiver has been appointed for the Noble Foundation, Limited, the largest farming corporation in Western Canada—the largest, possibly, in the world. By a court order issued by Mr. Justice Simmons, in Calgary, H. E. McDonald, one of the inspectorate staff of the Merchants Bank, Calgary, is named as receiver.

Several large creditors are interested in the affairs of the Foundation, among them being the Merchants Bank of Canada, the Bankers' Trust, an American institution, represented in the present proceedings by A. Macleod Sinclair, K.C. The amounts for which these parties claim are not disclosed. Another large creditor is Henry Carstons, Seattle, a private trustee for the debenture holders of the first issue of debentures sold in Seattle by the Noble Foundation. The latter's claim is said to be in the neighborhood of $500,000.

The total liabilities of the Foundation are not disclosed, nor are the assets of the organization.

The Noble Foundation, headed by C. S. Noble, commenced farming operations in Southern Alberta on a large scale in 1911, and at the present time has title to more than 30,000 acres of land, with a leased area of 12,000 acres, a total of some 65 square miles. During the harvest season more than 200 men were employed on the farms, this number varying according to the season.

During past years, when the crops in the southern part of the province have been light, and total failures in some places, the Noble Foundation has always had some sort of crop, but it was not until 1920 that the company were successful in harvesting a really big yield from their extensive property. According to figures contained in a report made by S. C. Reat, U.S. consul in Calgary, the harvest taken in by the Noble Foundation in 1920 included 197,600 bushels of wheat, 74,245 bushels of rye, and 1,158 bushels of flax. In 1915 a world's record for oats was established, an average of 126 bushels an acre being taken from 1,075 acres. In 1916 another record was made in wheat growing, when an average of 54.23 bushels of wheat per acre was harvested on 1,000 acres.

The Merchants Bank of Canada announces the following staff apointments: G. A. Hutton, accountant at Chipman, Alta.; C. Mann, accountant at Walkerton, Ont.; W. McCuaig, accountant at Renfrew, Ont.; W. M. Sivyer, accountant at Bothwell, Man.

RAILROADS TO USE MORE MEN AT LOWER PAY

This Will Be Effect of Wage Reductions on July 1st

LABOR AT 35 CENTS

Officials Assert That They Can Now Get Maintenance of Way Men at This Low Figure

The American railroads are expected to return speedily to their normal quota of common labor following the decision of the United States Railroad Labor Board that there shall be a reduction of wages in effect on July 1. The roads have been holding off fitting out their usual quota of maintenance of way men whose busy season is during the summer months, in the hope that a reduction would be granted. The announcement of the board acted as an immediate stabilizer. It had been hoped that a specific ruling covering common labor might be issued in advance of the general cut, but the roads do not now expect this relief.

The greatest saving to the roads will be in a reduction in the wages of common labor. This class received much greater increase in proportion to others in last year's wage award. The prevailing rate now is 48½ cents an hour. The roads insist they can get men at 35 cents.

Reductions Necessary

The chief significance of the Railway Labor Board's announcement is that the board has admitted publicly the necessity of a downward revision of pay scales of the country's 1,800,000 railway employees.

Not until the board makes known the actual percentages of reduction for the various classes of workers will it be possible adequately to estimate the amount of actual saving which will be effected. The fact that traffic for the remainder of 1921 can only be guessed at will add to the difficulty of calculation. Beyond pointing out that the roads will lose much of the benefit of readjusted wages and working rules if successful pressure is brought to bear for an early horizontal reduction in freight and passenger rates, railway executives were chary in their comment, preferring to wait the complete decision of the board.

Lower Freight Rates

The reductions in the wage rates of railway workers are expected to pave the way for reductions in freight rates, according to Dr. Julius Parmelee of the Bureau of Railway Economics. Freight rates now are about 70 per cent. above pre-war levels.

"But a general downward revision of freight rates probably will not be asked by the roads for several months," Mr. Parmelee said. "It will be late summer or early fall before the road managers will know to what extent operating expenses will and can be reduced. A general revision downward of freight rates must be made, however, as soon as it is safe. When the new rates are put into effect, commodity prices may be affected. In any event, commerce will be stimulated."

WAGE CUT FOR SPINNERS

Thirty Thousand British Operatives Are Affected

Advices from Manchester are to the effect that the Cotton Spinners and Manufacturers' Association has given notice of a reduction of 30 per cent. in wages in the weaving section. Three hundred thousand operatives will be affected.

Similar notice has already been given in the spinning section.

SASKATCHEWAN INSURANCE

Big Increases Are Being Shown In Life Business

From Our Own Correspondent.

REGINA.—Big increases are being shown in the life insurance business of Saskatchewan. During last year the total amount of life insurance in force in the province was increased from $173,506,392 to $208,006,921, the amount written during the year being $57,591,347, according to the provincial government.

Premiums to the amount of $6,654,588 were paid during the year as compared with $5.547,212 the preceding twelve months. The claims paid for the last year were $788,102.

COAL MINERS WANT MUCH

Ex-Governor Cornwell, of West Virginia, Calls Attention ito Possible Dangers

Coal miners' demands for six-hour day, five-day week and 65 per cent. wage increase still stand, according to former Governor John J. Cornwell, of West Virginia, speaking at the American Coal Association convention last week. In the back of their heads the United Mine Workers also have the idea that the coal industry must be nationalized, the Governor asserted.

"In England the miners are demanding nationalization and a social and industrial revolt has narrowly been averted," he said, "and it may yet come before the contest is ended. American business men do not understand how close English radical leaders are to those on this side of the water.

"Coal operators may have to meet a hard situation when wage contracts expire next March 31. Another countrywide strike is not improbable. They must have public confidence and sympathy if they are to avert it."

RAILROAD TROUBLES ARE BLAMED ON U. S.

Julius Kruttschnitt Asserts Neglect of Government Caused Depreciation

The high cost of labor, abnormally increased by and during twenty-six months of Federal control, the depreciation of their properties due to Government neglect of right of way and rolling stock, and the decline of traffic due to economic causes, were assigned in the Senate railroad investigation at Washington by Julius Kruttschnitt, chairman of the Southern Pacific Railway, as important causes for increased operating costs of transportation.

Senator Cummins estimated that the Government's loss in Federal operation will be $1,800,000,000, and warned that "unless operating costs can be reduced by private owners further losses must be met by the Government." He intimated indirectly that this tended toward resumption of Federal operation.

While Senator Cummins and Mr. Kruttschnitt agreed that the transportation act is not at fault so far as providing revenues for the roads are concerned, the latter maintained that the Railroad Labor Board in its delay in making wage settlements was adding over half a million dollars a day to the expense of the roads.

THE LABOR FACTOR IN PAPER INDUSTRY

Interesting Statistics Submitted to Employees by International Paper Co.

Some of the facts which the International Paper Co. presented to its employees before they took their strike action form an interesting picture of the course of labor in the last few years.

The company tabulated the following facts:

Amt. of paper produced, tons ...	532,091	533,492
Wage cost, ton....	$22.88	$9.73
Total mill payroll cost	$11,506,455	$5,189,521
Average number full time employees	7,829	6,500
Ave. paper produced per employee, tons	67.9	82

From this table, it will be noted that

Total paper prod. decreased 1,401 tons	
Wage cost per ton increased..	$13.15
Total mill payroll increased .	137%
Average number of employees increased over	20%
Paper produced per employe decreased 14 tons or over ..	17%

This was despite the increased efficiency gained by installation of motor trucks, improved wood handling methods, stock preparing equipment, etc.

It was pointed out that the Canadian companies have an advantage of 15 per cent. on exchange, amounting to over $17 per ton of paper; this nearly equals the $20 per ton price cut the company made in April.

Average wage rates per hour have been increased 133 per cent. above 1916 levels, and company voluntarily granted three wage increases.

SOLDIERS ON LAND

Operations of Soldier Settlement Board in Saskatchewan

From Our Own Correspondent.

REGINA.—Since the opening of Regina offices of the Soldier Settlement Board, a total of 1,817 returned men have been established on farms in southern Saskatchewan. Of the $8,089,569 which has been disbursed for all purposes, the greatest amount, $5,131.566, was supplied to settlers for actual land purchases, while $1,948,874 was expended to secure stock and equipment for the new farmers.

DEVELOPMENT OF FOREIGN TRADE IN IMPLEMENTS

The Trade Returns Underate What is Being Done

WORKING ON GROUND

Manufacturers Have Been Making a Close Study of Requirements of Farmers And Business Results

Evidence is not lacking to indicate that the road to success in the export field lies through intimate first hand study of that field, and adopting both product and selling measures to the established customs of the purchasing country. Proof of profitable results following such handling is contained in the following Canadian export figures under the heading of agricultural implements.

		Month of February. 1920	1921	% Inc.
Harvesters	Italy	$132,216	$329,437	40%
Hay rakes	France	6,181	37,098	16%
Cultivators	France	5,034	38,575	13%
Ploughs	Argentine	....	146,237	....
Spades Shovels	S. Africa	....	31,708	....
Total implements		$831,817	1,217,243	69%

While the above figures name the countries showing largest increases, it is satisfactory, also, to observe that a healthy market is being developed in many of the smaller nations whose individual imports from Canada may be small, but whose collective business is both worth while and increasing. Lumped together under the heading "other countries," Canadian implements to the value of $24,800 were exported in February, 1920 and $85,329 in February, 1921, an increase of 282 per cent.

Implement manufacturers it may be argued have a peculiar advantage in studying and handling export matters because of the large volume of their business and the resultant organization possibilities. This is quite true, but on the other hand the smaller exporter, through the services of banks and other agencies who study the market, is able to avail himself of much of the experience of the larger shipper.

Discussing export problems with a prominent Canadian manufacturer, it was pointed out that many new firms entering this field endeavor to write off, against a single season's business, the total cost of opening up an export market. This is considered to be an unfair burden upon opening a new field and a needless discouragement to the staff. Having once decided upon an export market, a definite allotment should be set aside for the purpose of developing same, and such cost should be either capitalized or distributed over a term of years.

SHIPS AND MOTORS AFFECT RAILROADS

Water and Highway Traffic Affect Standing of Steam Systems

Railroads are feeling keenly the shifting to waterway and motor truck traffic of many lines of freight formerly carried by the transcontinental and local rail transportation systems, Julius Kruttschnitt, chairman of the Southern Pacific Railroad, told the Senate Committee on Interstate Commerce at Washington.

He charged that the waterways, including the Panama Canal, and the motor highways are to some degree "subsidized" by the Government and that their rates are not subject to as complete regulation as are railroad rates.

He estimated a loss to the roads last year of about $50,000,000 through competition via the canal, and said that propaganda is being used against Pacific roads to discourage rail transportation of fruit and that the Southern Pacific alone lost $4,000,000 through motor truck competition.

Calling attention to the fact that the aggregate expenditure of the Shipping Board up to January 1 this year had been reported as $3,062,000,000 in the construction of 1,657 vessels, "engaged in most aggressive coastwise competition with the railroads," Mr. Kruttschnitt said.

"The practice of the board is to turn these over to agents to operate at the expense of the Shipping Board, who receive for their services 5 per cent. of the gross receipts. They are relieved of obligation to show any net returns to pay overhead expenses, or a return on the property investment, so that all incentives to conservative rate making and efficiency of management are absent."

Senator Townsend (Mich.) criticized Mr. Kruttschnitt for apparently trying to discourage highway development.

THE ROYAL BANK OF CANADA

Statement to the
Dominion Government (Condensed)
April 30, 1921

Head Office
MONTREAL

LIABILITIES

Capital Paid Up	$ 20,340,860.00
Reserve Fund	20,237,435.00
Undivided Profits	546,928.20
Notes in Circulation	35,488,738.74
Deposits	414,038,037.53
Due to other Banks	15,010,210.40
Bills Payable (Acceptances by London Branch)	8,128,960.91
Acceptances under Letters of Credit	16,045,249.79
	$529,836,420.57

ASSETS

Cash on Hand and in Banks	$119,205,942.44
Deposit in the Central Gold Reserves	17,500,000.00
Government and Municipal Securities	31,668,465.69
Railway and other Bonds, Debentures and Stocks	14,576,445.08
Call Loans in Canada	15,807,094.56
Call Loans elsewhere than in Canada	27,520,632.98
	226,278,580.75
Loans and Discounts	275,912,738.97
Liabilities of Customers under Letters of Credit as per contra	16,045,249.79
Bank Premises	9,706,183.56
Real Estate other than Bank Premises	991,970.10
Mortgages on Real Estate sold by the Bank	41,697.40
Deposit with Dominion Government for Security of Note Circulation	860,000.00
	$529,836,420.57

730 BRANCHES IN CANADA, NEWFOUNDLAND, WEST INDIES, CENTRAL and SOUTH AMERICA, also LONDON, NEW YORK and BARCELONA.
Paris Auxiliary—THE ROYAL BANK OF CANADA (France)

THE HOME BANK OF CANADA

Branches and Connections throughout Canada

Collect Through Your Bank

Sometimes you may have collections to make in a nearby city or town, or elsewhere in Canada, or in the United States. We have the facilities, both at home and abroad, for giving an unusually prompt service in making collections for our customers.

ELEVEN OFFICES IN TORONTO (S-11)

Union Bank of Canada

DIVIDEND No. 137

Notice is hereby given that a dividend at the rate of 10 per cent. per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Wednesday, the first day of June, 1921, to shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, both days inclusive.

By order of the Board.

H. B. SHAW,
General Manager.

Winnipeg, April 19, 1921.

The Bank of Nova Scotia

Established 1832

Capital	$ 9,700,000
Reserve Fund	18,000,000
Total Assets	230,000,000

GENERAL OFFICE - TORONTO, ONT.
H. A. Richardson, General Manager.

Branches at all the principal centres throughout Canada and in Newfoundland, Cuba, Porto Rico, Dominican Republic, Jamaica, and in the United States at—
Boston Chicago New York
London, England, Branch,
55 Old Broad Street, E.C. 2.

Collections made at lowest rates and returns promptly remitted. Accounts of firms, corporations and individuals carried on most favorable terms.
Correspondence Solicited.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament
TWENTY-FIVE BRANCHES IN SASKATCHEWAN
HEAD OFFICE, - WEYBURN, SASK.

DIRECTORS: — Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
A General Banking and Foreign Exchange Business Transacted.

STRIKE AFFECTS ISSUES

Comparative Small Amount of New Financing in England

How the British coal stoppage has checked the new issue revival is strikingly evidenced in the statistics furnished by the London Joint City and Midland Bank.

During April the amount of new capital raised by public subscription was fourteen and three-fourths million pounds, against twenty-five and a half million pounds during March, when general market conditions, quite apart from the labor situation, were not too favorable.

March, however, seems to be a popular month for bringing out appeals for capital. Last year in that month the new issue boom was in full swing, and the capital offered exceeded sixty-nine million pounds.

For the first four months of 1920 over one hundred and ninety-three million pounds of fresh capital was raised, in contrast with seventy-three million pounds during the last four months. These figures exclude direct borrowings by the Government.

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Alberta
6% Bonds
Due 1st April, 1936
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Yielding
6¼%

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There may be Unexpected Value in Your Unlisted Securities

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10 King St. East, Toronto, Ont.
McCurdy Building, Halifax, N. S.

OIL FIELDS OF NEW BRUNSWICK

Policy of Deepening Gas Wells Now Being Followed

From Our Own Correspondent.

ST. JOHN.—A rather important addition to Moncton's supply of natural gas appears to have been obtained by deepening an old gas well in the Stoney Brook gas and oil field. When the well was tubed and packed it gave a settled flow at the rate of two million cubic feet per twenty-four hours. When the well was shut down the pressure gauge quickly registered a pressure of 300 pounds to the square inch and gradually increased.

Use of natural gas has played an important part in the industrial development of Moncton in recent years and the New Brunswick Oil Fields Co. seem recently to have found the policy of deepening existing wells more productive than that of making exploratory borings.

A SANER VIEW ON QUESTION OF RURAL CREDITS

Manitoba Radicals Now Seeing the Error of Their Ways

THE OTHER PROVINCES

Saskatchewan and Alberta Do Not See Anything to Emulate in the Example of Sister Province

From Our Own Correspondent.

WINNIPEG.—There is an increasing belief that the radicals of provincial finance in the West, having seen the errors of their ways, are beginning to depart from their Utopian programmes of banking. As one of the Saskatchewan small town papers puts it, "The announcement of new legislation in Manitoba to advance interest rate on loans under the Rural Credits Act from 6 to 7 per cent. may be taken as an indication that it is being realized that the fine theories of public loans at rates below those prevailing in the money markets under the magic Government control are being exploded."

The business "planks" of the Martin Government, which seeks re-election in Saskatchewan next week, are by no means radical departures. Hon. C. A. Dunning has apparently come to a full realization of the state of the money market as dominated by world-wide conditions and has not permitted himself into being stampeded into rash promises of cheap money for the farmers. Saskatchewan's Minister of Finance very probably learned in floating the "Greater Production" loans that the people of his province were equally as reluctant as others to part with their savings at interest rates under the market, even though these funds were to be employed toward the further development of the province. Therefore in his election promises he makes it clear that the Government can only advance agricultural credits upon terms fixed by the world's money markets, which in turn are affected by international supply and demand.

Saskatchewan's Future

The business future so far as Saskatchewan is concerned becomes more clearly defined and more economically sound under this policy.

The Hon. C. R. Mitchell, Provincial Treasurer of Alberta, is known definitely to have advised his Government against embarking upon a programme of banking and finance similar to Manitoba's. He made his position clear to the recent convention of the Canadian Mortgage Association here, and is known further to have given his assurances that Alberta would discourage untried, unsound principles of farm credits.

The understanding is that the Hon. C. R. Mitchell is definitely opposed to the establishment of provincial savings banks for the taking of deposits. British Columbia, likewise, shows no immediate disposition to go ahead with the provincial bank idea, which was energetically mooted from Victoria a few months ago. Nor is a provincial savings bank any part of the current election propaganda in Saskatchewan.

The refusal of Saskatchewan, Alberta or British Columbia to enthuse over Manitoba's banking enterprise is significant, particularly considering Western provincial tendencies of a short time ago.

Banking criticism of Manitoba's financial assistance to agrarians is that credits have been excessive and therefore the entire loaning structure erected by the Government has become unsound. It is admitted that a real need originally existed among farm settlers of outlying districts for loans that only the Government could properly extend because of Federal restrictions that hedge the chartered banks. This is the actual province of the Government's rural credit machinery but it is maintained by observers that the Government has wrecked its fine theories by departing from original conceptions to enter the legitimate districts of the chartered banks, where the sound farmer had no difficulty securing sound credits, thus offering unfair competition.

Alberta Against It

For Alberta, both the Hon. C. R. Mitchell and W. H. Caswell, assistant provincial supervisor, the Government official in charge of individual credit applications passed on through the Alberta co-operative societies, are quoted as saying that they will not sanction an over-extension of credits in any part of the province and the belief is expressed in banking circles here that a conservative policy of farm finance will be strictly followed.

It is pointed out, that, fortunately for the other Western provinces, the finance ministers have before them Manitoba's experiences that cheaper credit than the banks are willing to give upon a strictly business basis is only possible by dipping into the treasury of the province. Not only has Manitoba found this true—as revealed in the latest legislature—but it has been the costly experiment of the United States in too cheap farm loans, as was stated in Winnipeg by Mr. Chassel, of Chicago, speaking to the mortgage convention.

C.P.R. DEVELOPING FRENCH SERVICE

Has Helped to Maintain Traffic Through the Port of St. John

From Our Own Correspondent.

ST. JOHN.—Although the past winter was gloomy enough from the point of view of the shipping companies, the revenues of the port of St. John only fell off by about $2,000. Grain shipments are said to have helped the situation, and this is rather interesting in view of reports from Ottawa that about 80 per cent. of the Canadian grain crop which went overseas was shipped through American ports. The liner companies kept to their sailing schedules pretty well, but very often their ships arrived and sailed with small cargoes.

The passenger traffic was fairly good. Some speculation has been caused here by the way the Canadian Pacific has developed the passenger traffic via French and other Continental ports. A year ago there was talk of some of the big French liners being put in the Canadian service, but the Compagnie Generale Transatlantique abandoned the passenger service to Canada which it operated in conjunction with the Canada Steamships Lines, Ltd., last year. Just about this time the French lines were on the point of undertaking a rate war with the American lines, but while freight rates tumbled, passenger fares held their own or advanced. The policy of the French lines brought about a condition making it cheaper to ship goods from New York to Continental ports and thence to England than by the direct route, but owing to unstable labor this condition did not have much effect on the transatlantic trade. The French lines made truce with the North Atlantic Conference, and it is believed they will sign the next agreement entered into by all the other lines in the North Atlantic trade.

GROCERY SALES ARE STILL UNDER NORMAL

Stocks Fairly Well Liquidated —An Undertone For Improvement

While sales are still from 10 to 15 per cent. less than normal, viewing the business situation from the wholesale grocers' angle, there is a decided undertone for improvement, says Canadian Grocer. Last year wholesale merchants failed to see the handwriting on the wall and the mad scrambling to stock up, that was manifest since 1914, continued until well into the fall of the year. Buying for future was the order of the day.

When the markets commenced to sag some wholesalers still continued to buy futures. Take the case of prunes, for instance. The opening price on prunes was several cents per pound higher than in 1919, but in spite of this and the fact that other commodities were due for a landslide, heavy purchases were made. Some houses found themselves with as much as two cars of prunes on hand when the market broke. The downward movement on prunes continued until as much as seven cents per pound decline was registered on some sizes and around four cents on others. A car of prunes will average 30,000 pounds, so it is an easy matter to estimate the loss on this one article. But prunes was only one item; rices, canned goods and dozens of other lines were equally hard hit.

One wholesale merchant recently stated that during the past year he wrote off $33,000 on his inventory. This firm takes stock twice a year. On the first of November last $20,000 was deducted from the inventory and on the inventory just completed May 1 the slate was further wiped to the extent of another $13,000. This was not done with the expectation of lower levels, but in order to bring the stock in line with present values.

Other wholesale houses have been doing the same. Keen competition and in many instances selling goods at a less price than replacement costs has resulted in fairly well cleaning up stocks and no doubt the means of bringing about a more rapid stabilized basis.

OPERATING COSTS SWALLOWED PROFIT

New Brunswick Power Had to Draw Upon Surplus to Meet Dividends

With net profits of $70,929, as compared with dividends distributed of $76,125, during the year ending December 31 last, President L. R. Ross, of the New Brunswick Power Co., refers to the fact that the showing is not as good as the previous year when profits of $115,180 were reported but adds that "we are on a falling market and expect that our operating conditions will be materially improved so that we can make a better statement in 1922 and reach the degree of profit that our legislation calls for." Despite the showing in profits the report shows that income at $1,038,560 was larger than the $940,924 shown for the previous year, while in 1918 t total was only $774,251. Such were the operating costs, however, that it was necessary to draw upon surplus profits to the extent of $5,195. The remaining surplus is $17,203. Following are comparative figures for three years:

	1920.	1919.	1918.
Earnings	$1,038,560	$940,824	$774,257
Expenses	871,917	731,339	612,003
Interest	95,713	94,404	93,089
Net earn.	$ 70,929	$115,180	$ 69,159
Dividends	76,125	112,000	62,708
Balance	*5,195	3,180	6,451
	$ 76,125	$115,180	$ 69,159

*Deficit.

The balance sheet shows total assets of $5,818,437 with current assets of $267,666 and current liabilities of $316,166. In addition to surplus the company has $308,902 of unadjusted credits including reserves.

TIMBER ASSESSMENT IN SUPREME COURT

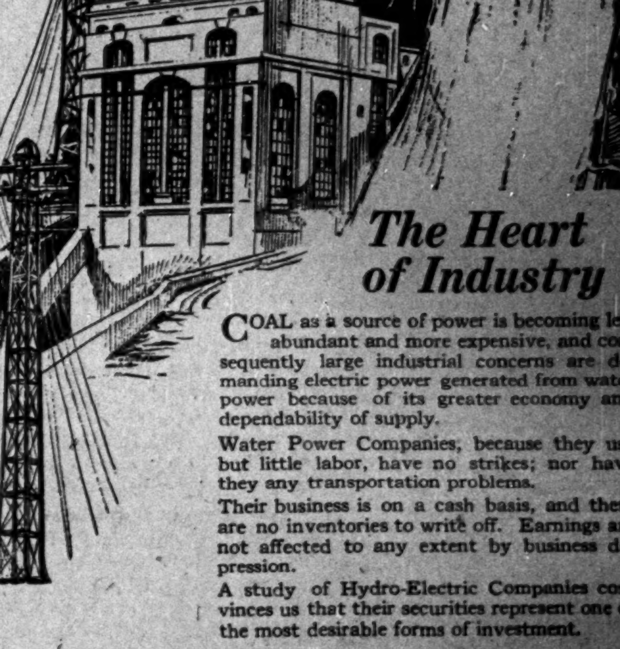
Interesting Case Involving a Number of Big Estates in the Maritimes

From Our Own Correspondent.

ST. JOHN.—A question of considerable importance to the lumber operators of the province is being fought out before the Supreme Court of Canada. The appeal to the Supreme Court was taken by the Royal Bank of Canada as trustees for the estates of Sir William Van Horne, Sir Herbert Hope and George F. Underwood, the defendant in the action being the King, or the Government of New Brunswick. These estates held lumber licenses from the province on the condition that they would cut 10,000 superficial feet per square mile each year, but with the privilege of paying stumpage on that amount of lumber if they did not cut. For some years they preferred to pay the stumpage without cutting, and this appears to have been satisfactory to the minister of lands and mines; at any rate he accepted payment of stumpage for three years when no cut was made.

Then the estates cut a sufficient quantity of timber to cover the arrears on the required cut, making in the bank's estimation a balance of $5,000, which it claims the Government should give it credit for as trustee of said estates. The Government claims that it can keep the the money previously paid and give credit, its object in requiring a m mum cut in the first place being assure the steady exploitation of t forest lands and incidentally guar tee a certain amount of employme from year to year.

When the matter was taken befo Justice Chandler he decided in fav of the bank as trustee, but the Appe Court of New Brunswick reversed h judgment and the bank appealed t the Supreme Court of Canada.



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Legal Opinion E. G. Long, Esq.

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$3,000,000 MORE FOR RIORDON IF $5,000,000 COMES

American Bankers Increase Subscription Contingent On Shareholders

FIGURING THE ASSETS

In Circular I. W. Killam Estimates These at $42,500,000—Urges Support—Can Carry On

From Our Own Correspondent.

MONTREAL.—The Riordon problem came to the fore again this week through a circular letter sent out to the shareholders of the Riordon Co. and the Riordon Pulp & Paper Co. by I. W. Killam, president of the Royal Securities Corporation. This was designed to supplement the letter of two weeks ago signed by Frank P. Jones and four associates.

An apparent inconsistency with the original circular had a rather disquieting effect at the first. Mr. Killam made use of the following statement: "The new financing contemplates the sale of $3,000,000 first mortgage twenty-year bonds in addition to the $5,000,000 ten-year 8 per cent. bonds offered to the shareholders by the Riordon Co. in the circular of May 6." This suggested that a total of $8,000,000 was required to finance the company in place of the $5,500,000 called for in the former circular.

More Underwritten, If—

The explanation, THE FINANCIAL POST learns, is a simple one and strengthens rather than weakens the company's position. At first, in addition to the $5,500,000 the American banking syndicate held an option on $1,500,000 of the twenty-year bonds, a large block of which they had disposed of last year. Since that time, it is learned, they have decided to take up the option, and in addition another $1,500,000, or a total of $3,000,000, contingent, however, on the subscription of $5,000,000 being secured. With both amounts subscribed, Mr. Killam states, the net liquid assets will be approximately $5,500,000. According to the other circular the deficit in working capital now is $3,761,000, but Mr. Killam's figures suggest a present deficit of $2,500,000 only: the smaller amount allows for a surplus of working capital of over $1,000,000 from the Gatineau Co., not figured on in the original circular.

Good to End of 1922

The strongest constructive point in the new circular rests in a guarantee the former one lacked, that the present scheme of financing makes provision for a depression in business continuing for the company not only this year but next. Even if this were to happen the present financing is "adequate." He adds: "The company requires only efficient management and adequate working capital to carry on."

Production and profits in an industrial business, it is declared, must fluctuate materially between periods of trade activity and trade depression. "1921 may be a year of relatively small production and small profits. Possibly earnings of the company for 1921 may fall short of the $2,000,000 required to meet its interest charges. Possibly the same may be the case in 1922. Provision is being made for these contingencies." It is added that in periods of normal trade activity the Riordon Co. ought to earn from 10 to 15 per cent. on the valuation of assets, or say $5,000,000 a year, as against interest charges of $2,000,000 per year.

$2,500,000 Including Sinking Fund

While $2,000,000 is given as annual interest charges on a bonded indebtedness of $27,000,000, which averages 7⅜ per cent. interest, if sinking fund is added the total approaches $2,500,000 (although often sinking fund is covered by an allowance for depletion of timber limits). On a yearly output of 120,000 tons it would require a net profit of slightly over $20 a ton to meet these charges.

Needs $33 a Ton Profit

Adding the 8 per cent. preferred dividend of $800,000, and the 7 per cent. preferred dividend of $700,000 it would require net earnings of $4,000,000 to meet these, or about $33 per ton, without taking into account the Gatineau earnings. This latter estimate does not form part of the circular letter but is offered by your correspondent as further elucidating the real situation. Mr. Killam estimates earnings under normal conditions as $5,000,000 and figures out a "fundamental advantage of cheaper wood than its average competitor" as worth $1,000,000 to $1,500,000 per year.

A second outstanding point in the Killam circular is a detailed valuation of the various properties. These are given as $42,500,000 in all, of which $22,000,000 is given as the valuation of the mills.

Deduct $5,000,000 From Kipawa

Deducting the $27,000,000 of bonds would leave a balance of $15,000,000 available for the $10,000,000 8 per cent. first preferred shares. As against this Mr. Killam would deduct $5,000,000 owing to the "excess construction cost" of the Kipawa plant, but would offset this, again, by an allowance of a similar amount as the value for the established organization and operating value of the company, and for $37,000,000 of securities for all practical purposes permanently funded at reasonable rates of interest."

There will be a disposition to demur, probably, at the latter addition to the valuation as one that certainly could not apply in the event of any liquidation proceedings, however it would have to be figured on in the original organization of this or any similar company.

Are Limits Too Large?

Mr. Killam essays to meet an objection that has been urged in many quarters of late that "the company's holdings of timber lands, while very valuable," are excessive as compared to the manufacturing capacity and operations of the company. The 4,000 miles of Riordon limits tributary to the Kipawa and Hawkesbury mills, he maintains, are "not more than are necessary to assure an adequate and economical pulpwood supply for these mills over a long period of years."

Needs Big Mill Constructed

The objection raised to the 8,000 miles of the Gatineau Co.'s limits is not met by Mr. Killam so successfully, however. He admits that these are to a "minor extent only used to supply pulpwood to the Hawkesbury mill." He goes on to state that "profits to be derived from the pine lumber operations alone should be sufficient to substantially offset the interest charges on this portion of the company's properties," lasting some fifteen years. To utilize the pulpwood limits adequately a pulp or paper mill of perhaps 400 tons capacity a day must be built. It is this point, namely, that the Gatineau property, which entails a heavy liability on the Riordon Co., cannot be made use of to any great extent to supply pulpwood to the company's three existing mills, but requires an expenditure of ten to fifteen million dollars additional for a mill, that, with an admittedly excessive expenditure on the Kipawa plant, constitutes the chief centre of criticism of the whole Riordon undertaking as it exists at present.

Should Lessen, Not Increase, Load

Once again THE FINANCIAL POST suggests that the company with its huge timber limits and heavy funded indebtedness is "top heavy," and that ultimately some plan must be worked out to "unload"—for cash—some of the Gatineau limits, and by thus providing additional working capital and reducing interest charges, bring the earning capacity—under normal, not 1920 conditions—and interest and dividend obligations into a better balance.

THE MAYO SILVER CAMP

May Develop Into the Biggest in the World

A silver-bearing area which comprises 1,000 square miles, and which assays up to 7,000 ounces silver to the ton, is being rapidly developed by the Guggenheims in the Yukon. Ore is being shipped which assays 200 to 700 ounces per ton, with stringers of carbonites that go 1,700 to the ton. The only thing that is handicapping this district, known as Camp Mayo, is the shortness of the open season on the Stewart River, and it may be necessary to build a railway to adequately handle the output.

According to W. J. Elliott, one of the best known Yukon pioneer prospectors, Camp Mayo is going to be one of the greatest silver-lead camps in the world, and with the Guggenheims actively engaged, prospects for prospectors look exceedingly rosy, but men with small capital must get in there this summer or practically all the good prospects will have been staked.

TWIN CITY

The earnings statement of the Twin City Rapid Transit Company for the month of April shows gross revenue amounting to $1,146,869 as compared with $1,017,813 for the same month in 1920, an increase of $129,056 or 12.6 per cent. Operating expenses amounting to $895,979 were higher by $170,209, while net revenue at $250,889, showed a falling off of $41,154 or 14 per cent.

For the four months ending with April the gross totalled $4,717,181, an increase of $582,144. Net amounting to $913,801, showed a decrease of $73,275.

LYALL CO. EARNS 13% ON COMMON; TWO YEARS' WORK

Satisfactory Statement Considering Construction Conditions

BETTER FOR 1922

President Considers Prospects Much Brighter for Next Year—Meeting on June 7.

From Our Own Correspondent.

MONTREAL—The annual statement of P. Lyall & Sons Construction Co., Ltd., for the year ending March 31. 1921, should reassure any of the shareholders who may have become faint-hearted over periodic rumors, as regular as each quarter ends, that the dividend was to be passed. The lack of foundation for these street rumors has been emphasized several times in these columns, and the report for 1920-1921 should lay them to rest. For while the company did not approach to the abnormal profits of 1917 and 1918, when large amounts were earned by skilful manufacturing of munitions, the earnings for the year just closed amounted to 13.2 per cent. on the common, or practically the same as one year ago. This leaves a fair margin over the 8 per cent. requirements.

The report of the president, William Lyall, is a promising one. Summing up briefly conditions, he states that "substantial improvement in construction is now in evidence, with the outlook for 1922 very promising. Your company is fortunate in having sufficient work on hand to keep its organization employed for the next two years."

One of the latest contracts the company has, and one that is likely to prove fairly profitable, is the dry dock at Esquimalt, B.C. This will provide work for the next three years.

The balance sheet shows a slight decline in working capital with a new item of a bank loan of very moderate dimensions. Below are given comparisons of the profit and loss accounts and working capital items of previous years:

Profit and Loss Account

	1921	1920	1919
Earnings	$375,266	$377,734	$1,314,582
Less Bond Int.	53,838	57,164	60,308
Less Pref. Divid.	91,000	91,000	91,000
Avail. for com.	$230,428	$229,570	$1,163,274
Com. divid.	140,000	140,000	140,000
Sink. fund bond redemption	56,400	53,500	50,200
Restor.	.....	.....	250,000
Spec. res.	.....	.....	90,000
Amort.	.....	.....	193,838
Tax reserve	.....	.....	320,000
Surp. for year	$ 34,027	$ 36,070	$ 114,230
Surp. prev. year	438,071	402,001	287,765
Surp. forward	438,071	402,001	287,765
P. & L. bal.	$472,099	$438,071	$ 402,001

Working Capital

Current Assets—	1921	1920
Cash	......	$ 57,317
Stock	$ 71,961	62,803
Acc. rec.	997,006	971,890
	*$1,068,967	*$1,092,010

*To which should be added portion of investments covered by Government bonds, not specified.

Current Liabilities—	1921	1920
Acc. pay.	$147,339	$129,177
Bank loans less cash	117,583	......
Acc. wages	943	3,458
Contr. bal.	367,127	414,236
Int. on bonds	8,785	9,349
Dividends	15,167	15,167
	$656,944	$571,387

"IRON" AND SCOTIA GET DIVIDEND ONLY FROM "MERGER"

Continued from page 1

Dominion Steel Corporation common and Scotia common.

How Conversion Value Works Out

There was little trading this week in the new merger stocks, but what there was fixed the price of about $35 a share as the value for the second preferred and $9 a share for the common. On the basis of conversion the common stock of Dominion Steel is to receive $95 per $100 of the second preferred and $40 of common. This would work out as follows:

$95 of preferred at $35 per $100	$33.25
$40 of common at $9 a share	3.60
Total	$36.85

Scotia common would work out as follows:

$90 of preferred at $35	$31.50
$40 of common at $9	3.60
Total	$35.10

In some quarters the decline in Dominion Steel common this week, when it reached a new low for some years, was attributed to a desire to sell out before transferring for merger stock.

Average weekly earnings in New York State factories in April declined to $26.20 from $26.97 in March, according to Industrial Commissioner.

UNLISTED SECURITIES

Alta., Pac. Grain, com.	122	140
Do., pref.	75	82½
Brand-Henderson, pref.	89	93½
British Amer. Assur.	7	10½
Can. Mach., pref.	..	51
Can. Oil, com.	63	68½
Can. Westinghouse	104	107
Can. Woollen, pref.	60	67
Cockshutt Plow, 7%, pfd.	52	57
Dom. Power, com.	26	..
Do., pref.	88¼	91¼
Dunlop Tire, pfd.	86	91½
Eastern Theatres, com.	11½	14½
Goodyear Tire, 7%, pfd.	50	53
Home Bank	97	100
Imperial Oil	105	108
King Edward Hotel, com.	61	68
Murray-Kay, pfd.	58	63¼
Massey-Harris	..	95
North Amer. Pulp	3	3¾
North Star Oil	..	4⅞
Riordon, c. (new stock)	3	4
Do., pref. (new stock)	24	26
Robt. Simpson, pfd.	77	82
South. Can. Power, pfd.	..	75½
Sterling Bank	105	112½
Sterling Coal, com.	22	25
Trust & Guarantee	68	74
Dom. Foundries, com.	38	42
Do., pfd.	..	82
British Amer. Oil	31	32
Dominion Fire	40	..
Provinciale Bank	122	124½
Loew's London	3½	5¼
Crocker-Wheeler, pfd.	70	..
Famous Players, pfd.	..	80
Loew's Buffalo, com.	..	4½

UNLISTED BONDS

P. Burns, 1st Mort., 6s	93½	99
Can. Machinery, 6s	74	82½
Collingwood Ship, 6s	91	..
Harris Abattoir, 6s	89	95
Wm. Davies, 6s	95	99
N. S. Steel, debs., 6s	..	78
Mex. Nor. Power, 5s	8	11½
John Morrow Screw, 6s	83¼	90
Ontario Pulp, 6s	85	90
Toronto Power, 1924, 5s	87¾	91¼
King Edward Hotel, 7s	74	80
Dom. Iron & Stl., 5s (1939)	62	67½
Gordon Ironsides, 6s	..	52
Neilson, Wm., 6s	85	91
Inter. Milling, 6s	88	..

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P. LYALL & SONS
Construction Company Limited
FINANCIAL STATEMENT
As at March 31st, 1921

ASSETS

Plant:—Montreal, Ottawa, Toronto and Winnipeg	$231,595.94	
Buildings:—Montreal	148,252.74	
Real Estate:—Montreal and Winnipeg	757,896.20	$1,137,744.88
Patent Rights, Goodwill, &c.		1,783,509.89
Dominion Government Bonds and other Securities		1,354,547.21
Stock on Hand		71,961.02
Bills Receivable		37,500.00
Open Accounts Receivable		997,006.69
Miscellaneous Assets		46,774.40
		$5,429,044.09

LIABILITIES

CAPITAL STOCK:—				
7% Cumulative Preferred, authorized 15,000 Shares of $100.00 each			$1,500,000.00	
Issued				$1,300,000.00
COMMON:				
Authorized 17,500 Shares of $100.00 each			1,750,000.00	
Issued				1,750,000.00
SIX PER CENT. FIRST MORTGAGE:				
Twenty-Year Gold Bonds, Authorized and Issued			1,250,000.00	
Less Bonds retired			371,500.00	878,500.00
Open Accounts Payable			$ 147,339.10	
Accrued Wages to end of Fiscal Year			943.65	
Sub-Contractors' Balances and Drawbacks			367,126.86	515,409.61
Accrued Interest on Bonds to end of Fiscal Year				8,785.00
Accrued Dividends Preferred Stock to end of Fiscal Year				15,166.66
Bank Loans Less Cash on Hand				117,583.55
Appropriation for Sinking Fund Bond Redemption				371,500.00
ADD:				
Earnings as per Profit and Loss Statement			$ 375,265.77	
LESS:				
Bond Interest		$ 53,838.00		
Preferred Dividends		91,000.00		
COMMON DIVIDENDS:				
No. 11	$35,000.00			
No. 12	35,000.00			
No. 13	35,000.00			
No. 14	35,000.00	140,000.00		
Appropriation for Sinking Fund		56,400.00	341,238.00	
			$ 34,027.77	
Amount at Credit of Profit and Loss, March 31st, 1920			438,071.50	472,099.27
				$5,429,044.09

Audited and found in accordance with the books and vouchers of the Company. The Stocks in Trade have been inventoried and certified to by the proper Officers. We have examined the Stocks and Securities. All our requirements as Auditors have been complied with.

WRIGHT & KINGAN,
Per GORDON B. KINGAN, C.A. } Auditors.

PROFIT AND LOSS ACCOUNT
As at March 31st, 1921

EARNINGS:—			
After deducting Rent, Insurance, Taxes, General Expenses, &c.			$375,265.77
APPROPRIATED AS FOLLOWS:—			
Bond Interest to end of Fiscal Year		$ 53,838.00	
Preferred Dividends to end of Fiscal Year		91,000.00	
Common Dividends:—			
No. 11	$35,000.00		
No. 12	35,000.00		
No. 13	35,000.00		
No. 14	35,000.00	140,000.00	
Appropriation for Sinking Fund Bond Redemption		56,400.00	341,238.00
			$ 34,027.77
Amount at Credit of Profit and Loss—Year ending March 31st, 1920			438,071.50
Surplus			$472,099.27

Audited and Verified:—
WRIGHT & KINGAN,
per Gordon B. Kingan, C.A.,
Auditors.

Directors' Report to the Shareholders

Montreal, May 14th, 1921.

Gentlemen:—

Your Directors have pleasure in submitting the Ninth Annual Statement of your Company for the year ending March 31st, 1921.

The report shows that after deducting all fixed charges the total earnings were $375,265.77, from which the following amounts were appropriated: Bond Interest—$53,838.00, Preferred Dividends—$91,000.00, Common Dividends—$140,000.00, Sinking Fund Bond Redemption—$56,400.00—a total of $341,238.00, leaving a balance of $34,027.77 to be carried forward to Profit and Loss—the surplus account now standing at $472,099.27.

Substantial improvement in construction is now in evidence, with the outlook for 1922 very promising.

Your Company is fortunate in having sufficient work on hand to keep its organization employed for the next two years.

Submitted on behalf of the Directors.

WILLIAM LYALL, President.

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THREE NEW NAMES ADDED TO BOARD STEAMSHIP LINES

Messrs. Wolvin, Re-elected; Tancrede Bienvenu, and Dr. W. L. McDougald

MANAGING DIRECTOR

F. S. Isard to Relieve J. W. Norcross—Very Quiet Meeting—Preferred Dividend Declared

From Our Own Correspondent.

MONTREAL.—The shareholder of Canada Steamship Lines who had shown himself particularly anxious for information as to the financial position of the company at the special meeting a week before arrived on the scene at the annual meeting this week. After the report had been adopted, and in the absence of any inquiries by shareholders, the president, J. W. Norcross, contented himself with asking whether any one wished for information. The only inquiry referred to the preferred dividend payment, and at the close the president declared he was ready to give any information he could in accordance with the interests of the company to any shareholder who would come to him. Those who had hoped for a general reply to criticisms that had been made in many quarters, were disappointed, the president's position evidently being that he could not reply to rumors, but would to any definite interrogation on the part of any shareholder.

His position on the dividend question was to reiterate his belief that it was safe. "I see no reason why there should be any change. I have the utmost confidence in the future of the company." He added that he himself had been a steady and consistent purchaser of all the company's securities. Later on, at the subsequent meeting of directors the dividend on the preferred was declared for the second quarter of the year, payable July 2 to shareholders of record June 15.

An important change was made in the officers of the company as well as several in the directorate. The board appointed F. S. Isard, who has been comptroller, as managing director, in order to relieve J. W. Norcross, who had held this position in addition to that of president. Three changes were made in the board as compared with that of one year ago. R. M. Wolvin, who had succeeded J. A. Barnard, K.C., during the year, was re-elected; Tancrede Bienvenu, general manager of the Banque Provinciale, was chosen to succeed Sir Henry M. Pellatt, who retired, and Dr. W. L. McDougald, president of the Century Coal Company, replaced H. W. Cowan, who is leaving the company's services to head a marine insurance company. The remaining members of the board consist of H. B. Smith, D. B. Hanna, F. S. Isard, J. P. Steedman, Geo. H. Smithers, W. E. Burke, J. W. Norcross, Hon. J. P. B. Casgrain, J. E. Dalrymple, Edmund Bristol, M.P., Hon. Frank Carrel, and M. J. Haney.

The London Advisory Board was increased from seven to nine members, Rt. Hon. Viscount Long, of Wexford, replacing Albert Vickers, with J. W. Norcross and F. S. Isard added to complete the nine.

In a statement reviewing the past year's operations, the president explained that the lower net revenue from a higher gross had been due mainly to the high cost of fuel, provisions and wages. References to ocean business and the passing of the common dividend were as follows:

> No doubt it will be of interest to the shareholders to know that the advanced bookings upon all the company's lines of transportation, and also the reservations already made for the coming season at the company's hotels, are very satisfactory, whereas, on the other hand, coal, provisions and general operating costs have been reduced. Your directors, therefore, look forward with confidence to a profitable result of this year's operations.
>
> **Norwegian Traffic**
>
> Arrangements have recently been concluded with Norwegian shipowners by which their vessels in conjunction with the ocean vessels of the company will be operated by it between Canada, England and France. Ocean freights are showing material improvement, which it is anticipated will continue, and the company's management has no fear of the results of these operations.
>
> The Directors, in view of the existing abnormal conditions and the current cash conditions of the company have deemed it prudent to suspend for the present payment of the dividend upon the common stock. The directors feel that their action in conserving the company's resources under the circumstances was a proper one.

NEW BRUNSWICK POWER

The directors of the New Brunswick Power Co. last evening decided to place one-man cars in operation on its street railway next month. The working conditions and wage schedule to be proposed by the company were also settled upon.

MORE MEN TO DO SAME AMOUNT WORK

President Smith, of the New York Central, Discusses the Labor Situation

Taking up the question of efficiency as reflected in the transportation department of the New York Central, President A. H. Smith points out that the average revenue per ton mile increased 54 per cent. in 1920 over 1917. The average monthly pay of all employees increased 86 per cent. The relative efficiency of employees in producing revenue ton miles decreased 10 per cent. That is to say, it took 10 per cent. more men in 1920 to do the same amount of work.

The efficiency of a railroad, according to Mr. Smith, depends principally upon its men. It is estimated that 95 per cent. of railroading is human; it is a business of moving things; it is a live thing. At the close of government control, labor naturally desired to have rules and regulations set up for their best interests in the future, and the corporations inherited what was awarded to them. Railroad men are no different in their desire than labor in other endeavors.

These men engaged in this special endeavor of handling transportation on which our country so greatly depends should receive an adequate wage. But after compensation comes results—that is, what shall labor do for what it receives, and that is, in a measure, where our difficulties have been. It is a matter between management and labor to be decided on its merits, and will no doubt now be taken care of.

Concluding his statement Mr. Smith declares that the enormous increase in operating expenses has been in the main due to the great war. War necessities broke through and largely destroyed normal conditions in the industrial world. The materials of war had to be supplied at any cost. This situation had to be met in the railroad world and it was met. This statement does not attempt any apportionment of the responsibility. The war ended but normal conditions could not be at once restored. That restoration can come only through time and patient effort. Pre-war or normal conditions and a normal cost of living can only be restored by general reduction in the cost of both labor and material.

BIG INCREASE IN ASHDOWN SALES

Profits of Big Hardware Concern Also Much Higher in 1920 Than in 1919

A substantial increase in both volume of sales and net profits is shown in the annual statement of the J. H. Ashdown Hardware Co., Ltd., for 1920. Sales of $8,257,531 compared with $6,830,983 for 1913, while net trading profits of $668,209 compared with $319,023 for the previous year but were not as high as the record showing of $690,226 for 1917; in the latter year, however, the volume of business handled was much smaller. Following are comparative figures of sales and earnings for the past six years:

	Sales.	Net Trading Profits.
1920	$8,257,531	$668,209
1919	6,830,983	319,023
1918	5,852,045	336,832
1917	5,387,312	690,226
1916	3,987,046	260,739
1915	3,030,545	195,448

The Ashdown Co. conducts a wholesale and retail hardware business throughout the entire prairie section of Western Canada as well as a portion of the Northwest Territories and British Columbia with warehouses at Winnipeg, Calgary and Saskatoon. Its showing may be taken as a reflection of general business conditions in Western Canada, particularly in the retail hardware trade.

The balance sheet shows total assets of $7,901,934, of which $6,190,730 is represented by current assets, including inventories of $3,946,934 and bills receivable of $2,127,593. Fixed assets, including real estate, total $1,594,332.

GOTFREDSON-JOYCE CORPORATION

In order to provide the capital necessary for the manufacture and marketing of two new models, and to furnish additional capital for a rapidly expanding business, the stockholders of the Gotfredson-Joyce Corporation, Ltd., motor truck manufacturers in Walkerville, Ont., recently ratified the recommendations of their directors to increase the capital stock of the corporation from $100,000 to $500,000.

The corporation is now in production on a 2-ton and a 3½-ton model. Their experimental department is working on a 1-ton model, and will later take up the work of designing a 5-ton job.

On Their Merits Alone

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RISING TAXES A SPUR TO INTEREST

Taxes are unpopular, the higher the rate the greater the unpopularity. Such is a rule that probably has no exception. At any rate the exception is unknown in the towns and cities of Canada, in most of which the civic rate of taxation has for the past few years been on the increase. Although civic administrators, dislike an increased rate as much and perhaps more than do others they are compelled, in most cases, by their best judgment to keep on with the raising.

Owing to the great unpopularity of high taxes there are few that choose to in any way act as high rate champion. THE FINANCIAL POST, Toronto, however, has made out a case that is worthy of consideration. That journal points out how business men get together at their clubs and complain about the poor government of their city. They would serve themselves and their fellow citizens better if they would stand for civic office and place themselves in a position to put their constructive ideas to good use or if they would analyze budgets and policies and make their opinions on every matter of interest to the community known in definite terms.

Continuing its case THE POST cites a case in Toronto, remarking, "Toronto has a city owned abattoir. This year its estimated income is $135,000. Maintenance charged alone will take $144,495, to which must be added debt charges of $26,650, making the total deficit for year over $35,000. The city has had s eral opportunities to dispose of t 'white elephant' on favorable terms b there has scarcely been an alderm with sufficient strength of character move for the sale against the dem gogic pleas of the group in the coun who point out at election time how ma millions of dollars the civic abattoir saved the citizens on their meat bi If a group of Toronto business men we to demand that the civic abattoir be s and were to make their influence kno at the city hall, the abattoir would sold. And similarly other much nee reforms could be obtained in other citi with similar problems."

THE POST concludes its brief interesting case with the following p agraph that might well be taken to he by those who complain about our h local tax rate and who at the same ti criticize the civic administrators a the fashion of men feeing that th themselves could do much better. U popular as they may be, high taxes largely worth while if they spur t citizens on to greater civic interest:

"We get just as good government we deserve," someone has said. A possibly these high tax rates are such a bad thing for the country a all if they serve the purpose of awak ing those who pay them to a higher r ization of their duty to themselves a their fellow taxpayers."

SHIPMENTS OF SILVER GETTING MUCH HEAVIER

Another Sign of Renewed Activity at the Mines

MINING ACT CHANGES

An Opportunity is Now Being Afforded to Note How the Various Amendments Are Working Out

From Our Own Correspondent.

COBALT.—Another sign of renewed life in the silver mines is the fact that the most recent ore shipments were the heaviest in some time, totalling over 60 tons. The Coniagas and the O'Brien were the shippers, each sending out two cars. During the same period the Nipissing shipped 38 bars of bullion containing 51.081 ounces.

The Kitchener Kirkland property in Kirkland Lake is making excellent progress. This property is in Teck Township next to the La Belle and the Fidelity and consists of 100 acres. These claims were first taken up by a syndicate and later a $3,000,000 company was organized, half going for the property and the other half into the treasury. There is a small plant on the property. One shaft is down 40 feet and the second, now at 45 feet, is being sunk lower. Lateral work will be undertaken at the first level to cut promising surface veins. It is believed that a cross cut north, 250 feet in length will tap six east and west veins. No promotion shares are to be sold before April of next year.

The La Belle may not open until July or August, though it had at first been planned to get operations under way at once. A lack of interest on the part of the shareholders at the present is said to be responsible for the delay, though your correspondent cannot vouch for this. There are about 40,000 tons of ore blocked out on this property, running about $10 in value. Other ore bodies have been indicated by diamond drilling. There is some talk of a merger with the Fidelity and this may explain the delay in getting work started.

Changes in Mining Act

The changes made in the Mining Act during the recent session of the legislature are beginning to filter to the north and their importance realized. One most important to holders of unpatented mining claims shortens the number of days of assessment work, and the importance of this move is beginning to be appreciated.

In the first place, it is learned that the change applies to claims held but as yet unpatented. This means that it is retroactive. In other words, a claim already recorded, 200 days' work in all will suffice. If a prospector has 150 days in, he has only 50 more to do, and the change allows him five years from the date of recording in which to do it.

If he has 200 days already done, he can apply for his patent at once.

Another feature is one concerning the amount of time and taking out of patent. Under the old rule a staker has nine months after completing assessment work to apply. The time is now raised to one year. As the new regulation calls for five years' time in which to do assessment work, this means that six years from the time of recording to patenting is allowed. This will work out in two ways.

It will hasten men having their 200 days work about complete to take out their patent. On the other hand, it is likely that many claim holders will hang off for three years before they pay out the cash for a patent, hoping that a buyer may come along and put it up.

The number of assay coupons now totals 12. Under the old rule the recording of a claim entitled the recorder to two coupons. The coupons will be handed out by twos at the end of each 40 days work.

Iron Ore Coming In

Port Arthur Minnesota iron ore is to be brought into Canada for treatment, and the product marketed in Canada. Good progress towards this end is being made by the Palatine Mining and Development Co., which recently purchased the Atikokan blast furnace. The old Port Arthur, Duluth and Western Railway is being fitted up to bring the ore from the Paulson mine some three miles over the line into Minnesota. This ore is said to run 49 to 63 per cent. iron. The haul to the blast furnace will be 95 miles in all and it is proposed to treat 500 tons of ore daily which will produce 225 tons of pig iron.

GOLD IN BRICE

Temiskaming Gold Zone Is Now Extended to the South

From Our Own Correspondent.

ELK LAKE.—The gold zone of Temiskaming has been extended about 15 miles farther south by the discovery of gold in Brice Township, which is next to Cane on the Elk Lake branch of the T. & N. O. It is remarkable that Cane Township is producing valuable silver ore.

So far 200 claims have been staked in the rush and it is understood that a valuable group has been optioned.

LITTLE CONFIDENCE IN STEEL OUTLOOK

Production of American Mills Is Only About One-third Normal

Reports from the steel markets confirm the idea that the present situation is one in which the buyers are pursuing a policy of "laissez faire," says Canadian Machinery. The general condition in industry is not what would tend to give much confidence, and what will satisfy the immediate requirements is about all that any consumer wishes to be burdened with. The usual period of dullness which comes in the summer shows no signs of being lightened this year, but will more likely be accentuated. The production of steel in the United States is only about one-third of normal, and demand is at about the same level. There has been some export business booked by the Steel Corporation, about 11,000 tons of rails having been ordered for Japanese railways. There is also enquiry for rails for China, and Argentina is in the market for the same goods.

There is a good deal of wage adjusting going on in the Pittsburgh district, and this adjustment is all downwards, as would be expected. There are also signs that the automobile trade is about to enter on another quiet period, although the reductions in price which are promised for the end of June will perhaps have a stimulative effect on this trade.

The pig iron market remains dull for the most part, although there are some slight spots where a better business has been done. This has been in the line of supplying iron for special contracts, the prices remaining about the same as last week.

BRITISH AMERICA NICKEL

Reorganization Scheme Can Now Be Carried Out

Information has now been received that satisfactory arrangements have been made whereby the scheme for reorganizing the finances of British America Nickel Corporation, Ltd., can be carried out at once as was originally intended.

The difficulties which were met with by reason of objections on the part of certain bondholders have been overcome and the necessary documents for carrying out the plan are now in course of preparation.

Owing to the depressed state of the metal market the Corporation, in common with the other nickel producers at Sudbury, temporarily closed down its work pending improvement in the market. The financing which the Corporation has just accomplished will enable it to successfully carry on just as soon as the metal market warrants the directors in resuming operations.

MINING STOCK QUOTATIONS

Week ending May 24.

	High	Low	Close	Sales
Adanac	1¼	1⅛	1⅛	1000
Apex	2	1¾	2	2500
Atlas	21½	19	21	49500
Bailey	3	2⅞	3	9000
Beaver	33	32	33	4500
Boston Creek	10	..	..	500
Cham. Ferld.	5	..	..	200
Cons. Smelt.	16½	16	16½	331
Crown Res..	14	..	..	250
Dome Exten.	70	..	..	50
Dome Lake .	6	5	5	24000
Dome Mines	22.50	21.50	21.50	966
Gifford	¾	..	..	2000
Gold Reef .	3⅜	3¼	3¼	6000
Hollinger .	7.34	7.28	7.34	1720
Keora	15¼	12½	14½	38000
Kirk. Lake .	50	47	49½	7200
La Rose ...	20½	20¼	20¼	1500
Lake Shore	1.32	1.30	1.31	900
McIntyre ..	2.00	1.99	1.99	3100
Min. Corp...	1.08	..	..	1300
Moneta	12	..	..	1000
Newray	7	5	5	1562
Nipissing .	5.10	5.00	5.00	220
Peter. Lake.	6¼	..	..	3000
Porcupine C.	27	24	24	8000
Ophir	1⅛	..	..	1000
Porcu. Imp.	1	..	..	5000
Preston E.D.	3½	..	..	9500
Schumacker	25	23¾	24½	24000
Silver Leaf.	1¼	..	..	500
South Keora	35	34¼	35	3500
Teck Hughes	16½	16	16	16500
Timiskaming	20	18¼	20	7200
Trethewey..	16¾	16½	16¾	3500
V. N. T.	22½	20½	22	29500
West Dome.	8½	8¼	8½	4500
West Tree . .	4¾	4	4½	9000

HIGH OPERATING COSTS CURTAIL DOME PROFITS

Net Profits of $302,479 Compared With $951,984 for Previous Year

OUTLOOK IMPROVES

Operations During Past Year Handicapped by Scarcity of Labor and Power—Look For Prosperity

An accurate insight into the handicaps under which Canadian mining companies operated during the year 1920 is revealed through an examination of the financial statement of the Dome Mines Co., Ltd., which has just been forwarded to shareholders. During the greater part of the year there was a lack of efficient labor, and production costs were abnormally high. Added to this was the fact that when the labor situation began to right itself there developed a shortage of electric power and many companies were forced to curtail operations or close down entirely. In the case of Dome Mines operations were continued through the use of power developed by the company's own steam plant, but at greater cost. As was to be expected profits for the year suffered, and show a substantial decline over the returns for the previous year. Conditions are rapidly improving, however, and this favorable condition has been reflected by the movement of Dome Mines on the stock markets during the past few weeks.

Net profits for the year ending March 31 last amounted to $302,479 compared with $951,984 for the previous year, which was the first year of production after the shutdown during the latter part of the war. A total of 289,789 tons of ore was hoisted. Of this 273,700 tons was ore which was sent to the mill and treated, and 16,089 tons was waste which was dumped on the surface. The ore treated yielded bullion worth $1,946,403, the average yield per ton being $7,111. Against this there were operating and maintenance expenditures of $1,239,508, compared with $930,762 for the previous year. The favorable financial position of the company is indicated by the fact that the net excess of current assets over current liabilities amounts to $1,539,161, compared with a working capital of $1,253,025 last year. Total assets have increased to $7,229,977 as compared with $5,909,318.

Importance of Cheap Power

President J. S. Bache outlines the situation as follows:

> The importance to your company of an ample supply of cheap power will be realized from the fact that during the first three months of 1921 the operating cost amounted to $5.03 per ton milled as against an estimated cost of $3.75 for the month of April, 1921, when hydro-electric power again became available and we could close down our steam plant.
>
> With regard to the future we now have an ample supply of power and also of underground labor, while the prices of supplies are slowly moving downward and the scale of operations has already been expanded to upward of 1,000 tons milled per day, we therefore look forward to a year of great prosperity.

It is pointed out further in the report that for 1920 operating costs showed an increase of $1.08 per ton, including an increased charge of 92.5 cents per ton milled for development, as against 52 cents for the previous year. An increase of about 50 cents per shift was given to employees in an endeavor to attract more labor.

General Manager H. P. Depencier points out "the futility of endeavoring to accurately estimate the tonnage and value of ore in the Dome properties," but intimates that the limited amount of development work which had been accomplished had disclosed ore equivalent in value to that milled. During the year, he adds, improvements had been made in the company's grinding equipment with the result that the recovery for the year averaged 94.728 per cent. compared with 94.295 per cent. for the previous year. With plenty of power and labor available, Manager Depencier points out that there is every expectation that operations will be resumed on a scale comparable with past performances.

Development work on Dome Extension has shown the existence of a large amount of low-grade ore from which it is stated the profit can only be won under normal operating conditions as regards costs. Main operations on this property were on the sixth level outside of the extension on the tenth level outside of Dome itself.

WARD CO. REORGANIZED

London Tobacco Company Placed On New Basis

From Our Own Correspondent.

LONDON.—An important development in connection with the cigar and tobacco trade here is the reorganization of the old established firm of William Ward & Sons. The company is disposing of $100,000 worth of preferred stock, guaranteed 8 per cent. in the formation of the new firm of William Ward & Sons, Limited. The firm has added a tobacco manufacturing plant to its extensive cigar factory and also a wholesale jobbing branch. Mr. Fred Ward stated to THE FINANCIAL POST that business has been excellent and that the number of employees on the firm's payroll has been steadily increasing.

CASH BONUS OF 10% ON BURT COMMON

Makes Total Distribution for Year of 20% and in New York Funds

In these days of industrial stagnation the announcement of the decision of the directors of the F. N. Burt Co., Ltd., to distribute a cash bonus of 10 per cent. on common came as a refreshing bit of news to the street and a pleasant surprise to shareholders. This bonus is in addition to the regular quarterly dividend of 2½ per cent. and is payable on July 2 and in New York funds. This will bring the distribution to Burt shareholders up to 20 per cent. for the year, or after allowing for the premium on New York funds to an approximate additional 2½ per cent. to those residing in Canada. The dividend on Burt common was increased from 8 to 10 per cent. in September, 1920, raising the distribution for the year to 8½ per cent., compared with 7½ in 1919 and 6 in 1918. As Burt preferred is convertible into common provision is made that any shareholder who converts before June 30 will share in the new bonus on the common.

The F. N. Burt Co. has paid moderate dividends on its common stock in the past and devoted the surplus to the demands of the growing business. High prices for materials during recent years have necessitated large working capital which came from surplus earnings. Recent heavy cuts in the prices of materials, however, have reduced the amount of working capital needed and thus made possible the present bonus.

The stock showed a tendency toward increased activity on the markets following the announcement of the news and moved up to a high for the year at 111. The preferred also advanced to 110 from 104 a week ago.

RESPONSIBLE FOR ACCEPTED DRAFT

Position of the Bank Sustained by Decision in Montreal Courts

From Our Own Correspondent.

MONTREAL. — In the Superior Court Mr. Justice Archer upheld the rights of a bank in connection with a draft held by it in which defendant claimed it was not liable owing to defective material.

The Royal Bank was suing the Windsor Phonograph & Record Co. for $1,255.96 on account of two drafts drawn by Phonograph Specialties, Ltd., now in liquidation, and accepted by defendant. Defendant admitted the drafts, which were drawn and accepted in payment of certain phonograph material sold and delivered to defendant by the Phonograph Specialty Co. but claimed the material was "utterly defective" and therefore there had been "a total failure of consideration for defendant's acceptance of the drafts in question." They therefore claimed they were justified in refusing to meet the drafts and tendered back the alleged defective material.

Mr. Justice Archer found that the evidence proved the material allegations of plaintiff's declaration. His Lordship pointed out that according to Article 56 of the Bills of Exchange Act, "a holder in due course is a holder who has taken a bill, complete and regular on the face of it, under the conditions (a) that he became holder of it before it was overdue and without notice that it had been previously dishonored, if such was the fact; and (b) that he took the bill in good faith and for value, and that at the time the bill was negotiated to him he had no notice of any defect in the title of the person who negotiated it."

The court considered the plaintiff bank had proved that it was a holder of the drafts in question in due course. Evidence taken under reserve on defendant's plea as to the defects in the merchandise bought by defendant company from the Phonograph Specialties, Limited, was rejected and defendant was condemned to pay to the bank the amount claimed, with interest and costs.

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City of Windsor	6%	1940	6.25
City of Winnipeg	6%	1941	6.25
City of Brandon	5½%	1939	7.00
Province of Alberta	6%	1936	6.25
City of Edmonton	7%	1941	7.10

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The
Windsor Hotel Company
of Montreal

DIVIDEND NOTICE.

NOTICE is hereby given that a Dividend of One and One-half Per Cent. (1½%) for the quarter ended April 30th, 1921, on the paid-up Capital Stock, has been declared payable on Wednesday, June 1st, to shareholders of record on May 23rd.

R. H. WEBB,
Secretary-Treasurer.
Montreal, May 16th, 1921.

MONEY BANKING AND EXCHANGE

CURRENT LOANS HIGHER AND CALL LOANS REDUCED

Small Decline in Earnings Of the Imperial Bank

DEPOSITS INCREASED

Substantial Gain in Savings but Some Reduction of Demand Deposits—War Paper Being Paid Off

Although current loans were not reduced, but in fact were increased by more than $1,500,000, and total assets showed little change, there was some contraction in the profits of the Imperial Bank for the year ending April 30. The net figures were $1,287,061 compared with $1,379,319 in the previous year and $1,247,519 for the year ending in 1919. The following summary indicates the main features of the profit and loss account for the past three years together with the manner of distribution:

	1920-21	1919-20	1918-19
Net profits	.$1,287,061	$1,379,319	$1,247,516
Bal. forward	.1,062,278	865,459	1,204,943
	$2,349,339	$2,244,778	$2,452,459
Dividends . .	.$ 910,000	$ 910,000	$ 840,000
Pension fund	142,500	142,500	142,500
Patriotic . .	......	......	34,500
Taxes	125,000	125,000	70,000
Reserve . . .	......	......	500,000
Repatriation .	......	5,000	......
Balance . . .	1,171,839	1,062,278	865,459
	$2,349,339	$2,244,778	$2,452,459
Earn. on cap..	18.38	19.70	17.81
*Earnings rate	8.3	9.0	8.2
Dividend . . .	12+1	12+1	12

*On aggregate of the average capital, reserve and balance forward.

In view of the increase in current loans it is significant that there was a reduction during the year of over $2,000,000 in call loans in Canada and an increase of more than $3,500,000 in municipal loans. Holdings of public securities—including British Treasury bills—were reduced by nearly $3,200,000, indicating how war-time obligations are being wiped off.

Savings deposits were larger by over $9,100,000, but demand deposits were reduced by $7,780,000. Following are comparative figures from the balance sheet:

	1920-21.	1919-20	Change
Immediately Available Liquid Assets			
Specie . .	$ 1,758,129	$ 2,647,155—	$ 894,026
Dom. notes	10,870,316	7,928,326+	2,941,990
Note cir.			
Note cir. dep	384,409	404,897—	20,488
Notes, bk. .	980,839	876,388+	104,457
Bank bal. .	379,145	530,016—	150,871
Do., ab'd	3,494,970	4,908,852—	1,413,882
Gov. sec. .	6,091,725	6,436,659—	344,934
Cheques . .	5,759,508	5,875,348—	135,840
Gold res. .	7,002,533	7,000,000+	2,533
	$ 36,696,574	$36,607,641+	$ 88,933
% total assets	28.6	28.6	......
% total liab. to public ..	32.7	32.6+	.1
Other Assets			
Pub. sec. .	$ 8,106,219	$11,304,227—	$3,198,008
Other secs.	409,180	412,047—	2,867
Loans, Gov.	942,000	1,157,000—	215,000
Current .	61,957,401	60,452,943+	1,504,458
Call loans .	3,721,714	5,739,097—	2,017,383
Over. debts	717,675	514,925+	202,750
Lets. of cr.	97,716	498,400—	400,684
Real estate	502,627	576,769—	74,142
Mortgages .	410,277	517,306—	107,029
Premises . .	5,385,904	4,655,304+	730,600
Other assets	602,698	558,795+	43,903
Mun. lns. .	8,826,627	5,279,714+	3,546,913
	$ 91,680,038	$91,666,527+	$ 13,511
T'l assets	$128,376,612	$128,274,168+	$ 102,444
Liabilities to Public.			
Circulation	$ 12,470,991	$13,354,212—	$ 883,221
Dom. dep.	17,327,386	25,107,537—	7,780,151
Savings . .	81,797,625	72,676,680+	9,120,945
Due banks	586,103	469,349+	116,754
Due else. .	144,952	325,712—	180,760
Acceptances	97,716	498,400—	400,684
	$112,424,773	$112,431,890—	$ 7,117
To Shareholders			
Capital . .	$ 7,000,000	$ 7,000,000	$ ......
Reserve . .	7,500,000	7,500,000	......
Dividends .	280,000	280,000	......
Balance .	1,171,839	1,062,278+	109,561
	$ 15,951,839	$15,842,278+	109,561
Tl. liab.	.$128,376,612	$128,274,168+	$ 102,444

Prosperity to Come

"Gradually matters will adjust themselves, and when they do there will come to us an era of prosperity such as we have never seen."

These encouraging words were embodied in the address which Peleg Howland, president, delivered at the forty-sixth annual meeting of the bank on May 25. And they were based not only on his own observations as a business man and a banker, but also on the reports of the bank's branch managers scattered over six of the nine provinces comprising the Dominion. In order, however, to facilitate the desired readjustment, he urged "the utmost care in public and private expenditure, particularly that of a capital nature." And then made this trite remark, "It is time, I would say, for cautious optimism." W. Moffat, the general manager, during the course of his address also incidentally dealt with the country's financial situation, and besides pointing out the necessity of a drastic decrease in Government expenditure, urged, in order that the burden of public debt might be lightened, increased immigration of desirable settlers.

COMMERCE

A. Hamilton, manager of the Kamsack branch of the Canadian Bank of Commerce, has been transferred to the branch at North Battleford. J. D. Andras, of Tugaske, Sask., will succeed Mr. Hamilton at Kamsack.

IMPERIAL

George C. Heintzman, of Heintzman & Co., Toronto, has been elected a director of the Imperial Bank. Mr. Heintzman has been a shareholder of the bank for many years.

STERLING

C. F. Perkin, formerly accountant at the Cornwall branch of the Sterling Bank, has been apointed acting manager at Lansing.

L. G. Fox, acting manager at Lansing, has been transferred to the Birnie, Man., branch.

R. H. Sayers, manager of the Wellandport branch of the Sterling Bank, has been appointed manager of the Eden, Man., branch.

R. M. Hammond, manager of the Eden branch, has been transferred to the Glenella branch.

A. G. Duncan, who was temporarily acting as manager of the Birnie branch, has been transferred to Winnipeg.

W. S. Regan, manager at Glenella, has been transferred to Winnipeg as acting accountant.

N. C. Buckham, accountant at Sudbury, has been appointed acting manager at Wellandport.

G. B. Clarke, acting manager of Shedden, has been appointed manager of that branch.

Weekly Bank Clearings

(In comparison with same week last year).

(Eastern Cities)	May 19, 1921.	Change.	%
Toronto	.$103,029,530—	$ 13,754,204	11.7
Montreal	129,789,159—	20,248,125	13.4
Ottawa	10,992,647—	1,305,584	10.6
Hamilton	6,582,566—	1,577,294	19.3
Quebec	5,234,159—	3,129,339	37.3
Halifax	3,310,278—	2,229,361	40.2
London	3,526,898—	749,425	17.5
St. John	3,117,285—	710,922	18.5
Windsor	3,668,006+	231,454	6.7
Brantford	1,249,727—	471,482	27.3
Sherbrooke	1,213,033—	306,183	20.1
Kitchener	1,003,001—	318,078	22.5
Peterboro'	918,301—	143,137	13.4
Total, East	..$273,724,590—	$ 44,711,680	14.0
Moncton	1,178,420		
Kingston	883,852		
(Western Cities)	**May 19, 1921.**	**Change**	**%**
Winnipeg	.$ 52,440,659—	$ 336,260	.6
Vancouver	13,445,304—	2,635,395	16.3
Calgary	6,608,591—	1,081,189	14.0
Regina	3,610,112—	696,785	16.1
Victoria	2,404,047—	502,531	17.2
Saskatoon	1,840,826—	470,774	20.3
Moose Jaw	1,286,661—	379,152	22.8
Fort William	204,689—	36,695	4.3
Lethbridge	661,974—	233,557	26.0
Brandon	737,034—	57,612	7.2
N. Westminster.	645,446—	77,647	10.7
Medicine Hat	448,539—	57,757	11.4
Total, West	.$ 84,933,841—	$ 6,565,354	7.1
Grand total	.$358,658,431—	$ 51,277,034	12.5
Edmonton	..$ 5,643,993		
Year. to date	$6,641,114,098—	$611,594,768	8.4

GREAT WEST BANK

Extension For One Year Granted At Ottawa

The standing committee of the House of Commons on banking and commerce has passed a bill granting an extension of one year in the time within which the Great West Bank may secure a license and begin operations.

EXCHANGE MARKETS

Sterling Reacts Because of Heavy Selling—N. Y. Funds Steady

The exchange markets commanded some attention this week because of the rather sharp reaction in sterling from the $4.00 mark, about which it had been hovering for some days to approximately $3.94. The general continental exchange market was weaker, and the reaction arises out of the heavy sale of bills accumulated for transfer of funds from Europe to America, such bills having been previously held back in order to obtain the full benefit of the advancing rate of exchange. New York funds on the other hand were comparatively steady, the opening quotation at 11 7-16, comparing with 11 27-32 at the close. The following are the fluctuations for the week:

NEW YORK FUNDS

May 19.—New York funds opened at 11 5-16, with sales at 11 7-16, 11½ and 11 7-16 to 11½ at close.

May 20.—Sales at 11 9-16, 11⅝. Funds then moved up to 12, reaching to 11 13-16 at close.

May 21.—Funds sold 11¾ at opening. Sales at 11 9-16 and 11⅝ at close.

May 23.—Opening quotations 11¾, advancing to 11 13-16, 11⅞, 11 13-16 and 11 27-32 at close.

May 25.—Opened at 11 13-16, selling at 11 15-16, 11 13-16 to 11 17-32 at close.

STERLING AND FRANCS

	Sterling		Francs	
	Demand	Cables	Demand	Cables
May 19.	$4.00¼	$4.01	11.31	11.29
May 20.	3.99¼	4.00	11.36	11.34
May 21.	3.99⅝	4.00¼	11.44	11.38
May 23.	3.94⅞	3.95⅝	11.80	11.78
May 24.	3.94⅞	3.95⅝	11.96	11.94
May 25.	3.94	3.94¾	11.47	11.45

GOVERNMENT LOANS HAVE BEEN REDUCED

Semi-annual Statement of the Bank of Montreal—Current Credits Cut But Little

From Our Own Correspondent.

MONTREAL. — The semi-annual statement of the Bank of Montreal, covering the period to April 30, epitomizes to a marked degree the transformation period in banking that parallels the readjustment of Government and commercial conditions. Under such circumstances the strength of the statement in respect both to liquid assets and profits is gratifying.

One of the outstanding features of the report has been the liquidation by the Dominion and British Governments of a large portion of outstanding war obligations. The withdrawal of Government deposits supplemented by those of current commercial accounts through the deflation of stocks has reduced demand deposits from $157,000,000 to $105,000,000. Circulation naturally shows a decline, $5,000,000, and this in turn is reflected in the reduction in the central gold reserve of $4,000,000, as less is required on deposit at Ottawa to cover the surplus circulation over the capital. Current loans show a decline of only $7,000,000, from $213,000,000 to $206,000,000, indicating that in spite of a deflation in merchandise prices and the continuous pressure of the banks toward liquidation of stocks the process is going on slowly yet. It may be assumed that the shrinkage will continue for some months at least, until the improvement of general business calls for extended help again from the banks. Present unemployment is reflected in a moderate degree in the slight decline of about $1,500,000 in savings deposits, which in the absence of heavy calls for Victory Loan payments had until recently shown increases over the corresponding figures of one year ago. The total assets naturally reflect the decline in demand deposits and stand $64,000,000 less than one year ago. Of this nearly $64,000,000 is represented in the falling off in deposits.

The process of deflation, however, was not reflected in the profit and loss account. The figures show an increase of over $107,000, from $1,802,585 to $1,910,077, and the balance for the year stood at $280,077.

Profit and Loss Account

6 mos. end. April 30.	1921	1920	1919
Profits	.....$1,910,077	$1,802,585	$1,751,585
Dividends	.. 1,320,000	1,200,000	1,172,250
Balance	.....$ 590,077	$ 602,585	$ 578,987
Premises	... 200,000	225,000	200,000
Balance	....$ 390,077	$ 377,585	$ 378,987
War tax	 110,000	100,000	90,986
Balance	.....$ 280,077	$ 277,585	$ 288,001
Patriotic	....	......	28,000
Balance	.....$ 280,077	$ 277,585	$ 260,001
Stock prem.	. ...	......	3,500,000
Balance	.....$ 280,077	$ 277,585	$3,760,001
Prev. bal.	... 1,251,850	1,812,854	1,901,613
Balance	.....$1,531,927	$2,090,440	$5,661,614
To Rest	....	......	4,000,000
Bal. forward.	$1,531,927	$2,090,440	$1,661,614

	1921.	1920.
Immediately Available Liquid Assets		
Specie	$ 25,361,882	$ 27,584,997
Dominion notes	45,609,450	61,583,290
Notes cir. dep.	1,038,166	1,038,166
Notes, banks	3,095,178	2,911,165
Banks bal. abroad	9,456,055	10,524,648
Govt. secs.	20,443,904	14,866,749
Call loans ab'd	77,946,750	101,196,991
Cheques	15,688,904	20,351,681
Gold reserve	15,200,000	19,200,000
	$213,840,289	$259,207,687
% total assets	42.1	45.4
% liab. to public	46.5	49.1
Other Assets		
Public sec.	$ 33,292,766	$ 36,990,749
Other sec.	4,119,240	5,568,093
Current loans	206,049,886	213,394,712
Do., elsewhere	15,988,753	15,798,725
Call loans	2,163,440	2,093,456
Mun. loans	21,738,554	23,977,766
Over. debts	524,578	466,056
Lets. of credit	3,763,254	8,031,024
Premises	5,500,000	5,500,000
Other assets	219,185	121,863
	$293,359,656	$311,942,449
Total assets	$507,199,946	$571,150,136
Liabilities to the Public		
Circulation	$ 35,070,308	$ 40,128,660
Dom. dep.	105,754,451	157,790,024
Savings	310,846,487	312,317,174
Due bankers	1,281,659	2,690,003
Due banks else.	1,465,736	2,700,590
Acceptances	3,763,254	8,031,029
Bills payable	1,294,777	3,348,977
Other liabilities	1,521,128	1,444,106
	$460,997,800	$528,450,563
Liabilities to Shareholders		
Capital	$ 22,000,000	$ 20,000,000
Rest	22,000,000	20,000,000
Dividends	670,218	609,134
Balance	1,531,927	2,090,440
	$ 46,202,145	$ 42,699,574
Total liabilities	$507,199,946	$571,150,139

German "big Berthas," aviators and Zepplins did 80,000,000 francs damage to Paris in war. Total war damage to city was 115,000,000 francs.

The
Building Industry

being of vital importance to every section of the Dominion—handicapped by money, labor and market conditions—demands more than mere passing interest on the part of the substantial elements of the Community.

The demands of the modern building industry require modern financial accommodation and arrangements.

All the energies of this organization are devoted to supplying the capital of corporations, the resources of which become available for building loans and construction purposes.

Through this work we mean to afford some measure of relief of the housing problem confronting most municipalities, and are striving to render a distinctive service.

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CURRENT LOANS HIGHER AND SAVINGS DEPOSITS REDUCED

Changes in April Bank Statements Are Rather Significant, Although Not of Great Importance

Another small increase in current loans is indicated in the bank statement for April continuing the tendency noted since February, when the deflation movement which took loans down over $50,000,000 in a few months evidently came to a conclusion. During April, too, there was a decline in savings deposits which marks an interesting development, it being the first indication of declining income on the part of the people in many months, in fact the first since the beginning of the war, with the exception of those fluctuations which marked the flotation of government loans. The comparative figures of savings deposits and current loans in the past year follow:

1920.	Savings Deposits.	Current Loans
April	......$1,209,573,990	$1,347,238,230
May	1,229,073,515	1,349,079,981
June	1,243,700,977	1,365,151,06
July	1,253,170,443	1,377,276,8
August	1,261,647,732	1,385,470,
September	1,270,194,097	1,417,520,7
October	1,271,275,751	1,405,401,2
November	1,292,009,008	1,357,973,11
December	1,293,007,488	1,301,804,
1921.		
January	1,313,093,870	1,264,490,46
February	1,318,855,482	1,266,253,381
March	1,319,142,196	1,280,982,87
April	1,313,832,514	1,281,145,047

Demand deposits also declined during the month and total deposits are only about $3,500,000 larger than they were a year ago, although savings are up over $100,000,000.

Other changes in the statement were not important. The principal items compare as follows:

	April, 1921	Mar., 1921	Change	April, 1920	Chge. in yr.
ASSETS					
Specie	$ 88,330,617	$ 84,731,382+	$ 3,599,235	$ 83,348,497+	$ 4,982,120
Dom. notes	158,857,442	165,977,483—	7,120,041	181,808,584—	22,951,142
Can. cal.	110,289,586	113,818,308—	3,528,722	125,644,859—	15,355,273
Call loans abd.	154,173,055	168,598,046—	14,424,991	206,229,451—	52,056,396
Current	1,281,145,047	1,280,982,873+	162,174	1,347,238,230—	66,093,183
Loans abroad	159,707,351	164,093,930—	4,386,579	185,085,020—	25,377,669
Gold reserve	88,702,533	95,302,533—	6,600,000	108,650,000—	19,947,467
Total assets	2,858,525,178	2,909,270,494—	50,745,316	$3,083,537,664—	225,012,486
LIABILITIES					
Circulation	$ 203,278,548	$ 206,094,668—	$2,821,120	$ 223,387,731—	$ 20,114,183
Demand dep.	552,121,294	560,937,663—	8,816,369	652,918,760—	100,797,466
Savings	1,313,832,514	1,319,142,196—	5,309,682	1,209,573,990+	104,258,524
Tot. dep. in Can...	1,865,953,808	1,880,079,859—	14,126,051	1,862,492,750+	3,461,058
Foreign	267,600,093	300,181,609—	32,581,516	327,235,197—	59,635,104
Total liabilities	2,574,146,233	2,622,550,611—	48,404,378	2,811,434,155—	237,287,922

NEWSPRINT EXPORTS LARGER IN APRIL

But a Heavy Falling Off Indicated for Both Chemical and Mechanical Pulp

From Our Own Correspondent.

MONTREAL.—The export figures of the pulp and paper industry for the month of April show a very heavy falling off in chemical and mechanical pulp, while the export of newsprint shows a fair increase. The latter condition is owing probably to the fact that the mills were shipping larger quantities than they would have in order to provide a supply for the publishers in the event of a strike taking place on the first of May, which was generally anticipated. The decline in the exports of chemical pulp, that is sulphite and sulphate, showed a drop of about two-thirds, 34,000 to 11,000 tons, while mechanical pulp was reduced in about the same ratio.

In spite of the heavy decline in prices that has taken place in pulp during the past six or eight months, the average figure for the chemical pulp for the month of April was $91.80 a ton compared with $84.88 a ton during the corresponding month of last year. In mechanical pulp, however, the price dropped from an average of $50 a ton to $41.07 a ton, and even the latter amount is higher than the general market price in the States which runs around $30 to $3 a ton.

	April, 1920	April, 192
Paper, all kinds	....$4,729,354	$5,731,65
Newsprint, tons	... 44,967	47,46
Value	.........$3,827,541	$5,241,89
Chemical, pulp, tons	34,602	11,871
Value	......$2,936,633	$1,083,1
Mech'cal pulp, tons	9,933	3,20
Value	.... $506,369	$131,42
Total	...........$8,172,356	$6,946,2

BIG MOTOR MERGER

Plans are shaping rapidly for the complete formation of the big automobile combination, which William C. Durant, head of Durant Motors, Inc., appears to have in mind, according to New York reports. The Durant Motors, Inc., announced the formation of the Durant Motors Company of Michigan. In addition to this a syndicate headed by Durant has taken over the Sheridan Motor Car Company from the General Motors Corporation, and from information obtained to-day this concern will be a part of the big Durant combination. In addition to the above it was said that negotiations are now under way for the taking over of additional automobile companies and that more subsidiaries will be formed within the near future to take care of assembling and distributing the output of the combination.

NEWS AND VIEWS FOR MANAGERS

ESTIMATING THE COST OF SERVICE TO CUSTOMERS

How Dead Accounts May Be Reduced or Eliminated

AMERICAN SYSTEMS

Some Modern Accounting Methods Employed to Keep Current Accounts on a Healthy Basis

"What are the things to which the branch manager should to-day be giving closest attention?"

I put the question to the general manager of one of the Canadian banks—a general manager who in his experience was for many years himself a branch manager like so many others who are now directing affairs at the head office.

"It is a time when the manager should try to be a business physician rather than a business undertaker," came his pithy advice, in explanation of which he said that accounts should be watched very closely for indications of those failures which are general under the conditions prevailing. Further, he said that everything possible should be done to curtail expenditures and check up losing accounts, as well as to seek new business, in order to maintain profits.

Following is an article by A. B. Barker, manager of the Toronto Clearing House, in which he tells of some of the methods employed by American banks to check up accounts which do not pay their way.— J. W. T.

American banks, New York institutions in particular, now maintain statistical departments one of the duties of which is the analysis of the cost of handling their current accounts. Their object is to establish a basis for these accounts so that the customer may be charged a fair price for service rendered. A bank is an institution organized to perform a public service for private gain, and to the extent to which it gives that service it is entitled to a fair return. In the past, so long as the business on the whole yielded a profit, the proprietors were satisfied. They knew, of course, that certain sections of their business were operated at a loss which was made up from profits on others, but as in other lines it was only when proper cost accounting systems were installed that accurate knowledge was available.

The theory upon which they are working is that the lending of money and the operation of a customer's current account are two separate and distinct functions, and that because a customer borrows at the market rate he is not thereby entitled to continuous free service on the part of the bank through the handling of his current account. By analysis from month to month the average cost of operating each account is ascertained, and the customer is required to maintain a free balance sufficient to reimburse the bank for the cost of handling and accounting for the customer's deposits and cheques. Deposit accounts on which interest is allowed are analyzed in the same way, allowance being made for the items deposited by the customer and not realized on by the bank until settlement is received for them through the local or district clearings in the usual course. In this connection careful analysis has shown that many accounts carrying large credit balances were, through the amount of items in transit in this way, actually being carried at a loss to the bank.

Big Loss in Single Month

One bank found that an account showing an apparent average balance of $97,000 had really caused it a net loss of $142.28 in a month, while another bank found that an account of $30,000 had cost it in this way nearly $500 in two years. Of course these were extreme cases but they illustrate the fact that a balance, no matter how large, is of little benefit to a bank if it is represented by deposits of items which are not realized on by the bank until the next day or two, but which the customer draws against at once.

A change in firmly established habits and customs, in business or out, can only come by degrees, and the New York banks and their customers are gradually readjusting the terms of their mutual business operations. One regulation now in force with current accounts calls for a minimum credit balance proportionate to the activity of the account, and when the balance falls below this amount interest is charged on the deficit.

ADDING MACHINE FOR CUSTOMERS OF BANK

In the outside office of a branch bank in Winnipeg will be found an adding machine with the label on it:

THIS MACHINE IS FOR THE USE OF OUR CLIENTS.

This machine was installed with the idea of serving customers of the bank in checking over passbooks, adding up deposit receipts, etc. It is an innovation which indicates the advances being made by the Canadian banks along the lines of modern service.

The benefit derived from a correct apportioning of costs is not alone to the bank, as, by properly apportioning the cost of operation, the borrowers are able to obtain accommodation on better terms of interest, and depositors whose accounts show actual steady credit balances get increased interest.

Charging for Service

The system of charging the customer for the service rendered, by receiving deposits and honoring cheques against the balance, is in reality a modification of English banking methods. In that country the provincial banks have always made a charge for bookkeeping based on the number and amount of cheques passing through a current account. In London, however, this practice does not usually obtain, though a minimum balance at credit of the account is required.

BANK EXTENDS AID TO STOCK RAISERS

Merchants Loaned $1,500,000 to Finance the Alberta "Cow Bill"

From Our Own Correspondent.

EDMONTON.—Advance payments on loans to farmers under the Alberta Government's stock-raising encouragement act, popularly known as the "cow bill," have now reached the $375,000 mark. None of the loans are maturing until 1922, but a considerable number of the borrowers have already paid their first instalments in advance.

The funds furnished in this way are being loaned out again to applicants who have been on the waiting list. The Government has used up the full amount of the loaning fund secured for the purpose through the Merchants Bank, which totalled $1,500,000, and the operations of the scheme were therefore practically suspended for some months.

WOMEN APPRECIATE BANKER'S ADVICE

Organizer of Women's Institute Writes Appreciatively to Empress Manager

Reference was made on this page a couple of weeks ago to the effective development work in connection with securing accounts from women being conducted by E. L. Kenny, manager of the Canadian Bank of Commerce at Empress, Alberta, by delivering addresses to Women's Institute meetings. That women appreciate advice with regard to their financial affairs is emphasized by a number of letters which have been written to Mr. Kenny indicating the reception that the article has been receiving all over the country. Following is a copy of a letter written by Mrs. F. W. Hughes, organizer of Women's Institutes for the southern part of the province of Alberta:

> "Your letter and the Farm News letter arrived the day I was leaving for Taber, so I took it along with me and we read it to our several hundred women, who all declared it was the best article on banking they had ever read. We talked of asking for a copy of this article for every Institute in Alberta. However, we will see the different Institutes have this article read at their meetings.
>
> "I want to thank you for this article and want to tell you it is the very best article on "Banking for Women" I have ever read. I have gathered up all the copies I could find and am sending them to my many banker friends in the U.S. as well as to our Institutes. I trust we will read many of these splendid articles from time to time, as such articles are indeed very helpful to we people in new countries, and we are glad to see them written by one of our citizens."

This is practical evidence of what Mr. Kenny is accomplishing. Other bankers can do likewise. An increasing number of women are maintaining bank accounts not to mention those who will appreciate knowledge which would enable them to do business when the head of the farm is busy at home.—J.W.T.

Interstate Cottonseed Crushers' Association, in convention at Chicago, estimate the U.S. cotton crop will be 30% less than last year.

BANKING SERVICE APPRECIATED IN NEW NORTH-WEST

Business Community of Grande Prairie Well Served

The Canadian banks have always been active in developing facilities for business in new communities in Canada as soon as the first trails have been blazed. The opening up of the new northwest is no exception. What is more, in this pioneer work of the banks their services are at once obvious and easily understood and are greatly appreciated by the public. For instance, there are already five banks located at Grande Prairie and that they have been made welcome is indicated by the following appreciation on the Canadian banking system in the Grande Prairie Board of Trade Gazette:

> The Canadian banking system has served as a model to the civilized world. Many of the amendments to the banking laws of the leading nations of the world, adopted for the public protection, have been inspired by the Canadian Bank Act.
>
> Criticism of public corporations, particularly those engaged in finance, is inevitably a cheap path to notoriety, particularly so under present day conditions. As such it is eagerly grasped by that type of individual, who by the nature of his training is unable to grasp the broad and fundamental principles of either finance or government and yet seeks to set himself up as a leader of his fellowmen.
>
> Such an agitator, the term is used advisedly, points with horror to the tremendous earnings of the Canadian banks; he refers to them as closed corporations conducted by a privileged few: He terms them grafters off the public earnings: He says the Canadian Bank Act is the best in the world—for the banker. Here are a few of the facts:—The earnings of the chartered banks of Canada for the fiscal year ending in 1919 were 8.96 per cent. on the combined paid up capital and reserve. The corporation, (be it financial or otherwise), the manufacturer, the merchant or the farmer, who neglects during a favorable year to provide for the lean year which inevitably follows, by the creation of a "Reserve" is courting disaster. The banks not only owe the duty of the creation of a reserve fund to their shareholders, but to the nation and the public at large. Yet this is one of the policies that receives the most criticism.
>
> The banks perform a real service. They wield the most powerful constructive influence that is or ever was felt in the Dominion. Compelled by the Bank Act to abstain from all speculation themselves, their influence is far-reaching in discouraging speculation in others. Some banks have violated the act and speculated: The officers responsible went to prison. Banking charters are not restricted to a favored few. They are available to any group or class. A farmer's bank was incorporated in Ontario. The farmer shareholders then first learned of the double liability of bank share holders. It was one of those that speculated!
>
> Grande Prairie is exceptionally fortunate in its banking institutions. The Union, Merchants, Commerce, Imperial and Royal afford the means of financing all legitimate enterprise when directed in constructive channels. Collateral security is not the first and only consideration of a Canadian bank manager. His first consideration when considering an advance is the applicant—the man. First: Is he trustworthy? Second: Is he capable? Third: Is he conservative?
>
> Your banker knows you. He knows your record. He offers advice and service. In return he expects fair dealing and above all candour.

From past experiences in opening new fields I am satisfied that to-day there is not profitable business for all these banks in Grande Prairie. They are looking to the future when that town becomes the important center it seems destined to be. In the meantime they will provide banking service and accommodation on a basis of cost to the public that would be impossible in the case of the private banker or the unit bank without an outside connection for its capital supply.—J.W.T.

RESERVE SYSTEM FOR CUBA

To Follow Lines of Federal System of the United States

It is expected by New York bankers in close touch with the financial situation in Cuba that the new Government, under the leadership of President Alfredo Zayas, will inaugurate a new banking system which will follow the lines of the Federal Reserve system of the United States. Bankers in Cuba are now studying the situation, and it is considered probable that a commission of them will go to the United States for a first-hand view of the banking system.

The plans under contemplation include the establishment of a central bank, which would issue notes and act as fiscal agent for the Government, but which would not intrude on individual negotiations.

BANK "CUTS" TEA

New York Idea in Britain Upsets an Old Tradition

A New York banking concern ih London has demonstrated that an Englishman can do without his afternoon cup of tea—a long debated question. Officers of the American company decided the half-hour or forty-five minutes usually allowed workers in England for tea each afternoon constituted an unnecessary waste. So the word went throughout the company's several large branches in London decreeing tealess afternoons.

There were many feminine registrations of indignant disapproval. Dissent was no less marked on the part of the men employees of the concern, but assurance was given that the order must be obeyed and the four o'clock rattling of teacups ceased. The company's experts have reported no diminution of efficiency on the part of the tea bereft typists and clerks. On the contrary, they report an increased output of letters and more quickly tallied balance sheets. Other American companies with large branches in England have been interested observers of the experiment and are considering its adoption.

COMMERCE BUYS AT 'PEG

Building of Union Trust Company Secured

The Canadian Bank of Commerce has purchased the Union Trust Co. building—a twelve-story structure—at the north-east corner of Main and Lombard Streets in Winnipeg. The head office of the bank in Winnipeg occupies 100 feet on Main Street, north of the structure now acquired, and there will thus be a total frontage of 126 feet on Main Street with 101 feet on Lombard street with two entrances on Main Street and the equivalent of two entrances on Lombard.

C. W. Rowley, superintendent of the Bank of Commerce in Western Canada, says it is the intention to use the ground floor of the Union Trust Building in connection with the Grain Exchange and as a savings office. At the present time the ground floor is occupied by the Standard Bank.

J. K. Pickett, managing director of the Union Trust Company, states that owing to changes in legislation affecting trust companies, investments in building properties are limited, making the Winnipeg building too big a proposition in addition to the head office structure in Toronto.

PROPOSE LOWER WAGE SCHEDULES FOR RAILWAYMEN

Continued from page 1

shops for indefinite periods. Owing to slackness of operations it is said that the Grand Trunk Railway is granting a ten-day holiday at the Point St. Charles, shops, Montreal, to end June 1. The Angus shops of the C.P.R. will also be closed down for an indefinite period. Some 6,000 men will be affected in this district alone.

Until commodities have reached a normal price basis a return to normal activity in business can hardly be expected to materialize. When prices are steadily sagging there is little incentive to come into the market freely. The way is being steadily and effectively prepared by the reduction of operating costs for the decline of commodity prices to a normal basis.

Industry Depressed

While industry in Canada is highly depressed there is still a fair degree of activity in the retail trades. Dealers in the smaller centres who have been less adversely affected have noticed a decline in sales in recent weeks. This is due to the fact that the farmer is keeping out of the market as far as possible. Prices for all farm produce have slumped heavily and the farmer is not therefore in a mood to buy. This is reflected in practically every line of trade, and until retail prices have declined to a level to correspond with the altered prices of his products, and there is still ample room for a revision of many staple lines, the farmer can hardly be expected to be a vigorous buyer.

The earlier activity in the motor trade has not been maintained at the rate anticipated. There is still a fairly free demand for the lower priced cars, but there is little movement in the more expensive types. Significant of the trend of the times is the recent announcement by the tire manufacturers of a reduction of 20 per cent. in the price of tires. This lower price has been rendered possible by the fact that the prices of the raw products entering into the manufacture of a tire have slumped to low levels.

In the mining camps of Northern Ontario activity centres chiefly about the gold mines. In the Cobalt area four mines only are working. The pulp mills are shut down or working part time only. There are immense quantities of pulpwood in store awaiting a revival of business. The trend of labor is fairly evenly divided to and from the gold camps. It is stated that a trainload of miners enter Timmins each day, in the anticipation of finding work, and there is also a trainload a day of disappointed work seekers leaving that centre. The supply of labor in the north as elsewhere is greater than the demand.

The situation in connection with the paper industry is highly unsettled at the present moment, and the chief difficulty hinges about the question of wages. The lumber business is in a similar position, and is finding the high freight rates a decided handicap, especially those companies operating in the West and in British Columbia.

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TORONTO, MAY 27, 1921

A VICIOUS DOCTRINE—MUDDLING THROUGH

SIR CAMPBELL STUART, manager of the London Times, says conditions are bad in England but that they will "muddle" through.

Is this not a vicious policy to preach? There has never been a time when hard work and efficiency were more important than they are to-day. To give the people the impression that they will somehow get through the present crisis without particular effort is the worst possible propanda. Such a policy may suit Sir Campbell Stuart but it will not suit Canadians and if Great Britain proposes to muddle through Canada should take steps to see that her affairs are more efficiently handled.

The idea that the Empire would muddle through the war almost led to a national tragedy. It was an idea which was greatly encouraged by Germany's clever propagandists. And the methods which were insidiously followed in the days of the war to weaken British military efficiency are being followed to-day to weaken British industrial efficiency. Nothing would please our commercial competitors better than to think that instead of adopting aggressive and progressive efforts to hold our place in world's trade we would be satisfied to try to "muddle" through.

If Sir Campbell's chief, Lord Northcliffe, had not opposed, with great courage, the Imperial political leaders in their "wait and see" and "muddling through" and forced aggressive and efficient policies, the war would have had a very different ending.

THE FACTS ABOUT SOUTH AMERICA

THE FINANCIAL POST would again warn readers not to be misled by S. R. Parsons, who continues to appear as the representative of the Canadian Manufacturers' Association of which he was president for a short time years ago. As far as we have been able to gather, Mr. Parsons has never been in South America and further he has had no practical experience whatever in export trade. Yet he has the temerity to contend that South America is the "one great" market for Canadian products, thus contradicting so careful and up-to-date an expert on financial and trade topics as the President of the Canadian Bank of Commerce who has just returned from South America where he has been investigating conditions from a Canadian standpoint. Sir Edmund Walker says there is not much chance there for the Canadian manufacturer.

At a meeting of United States manufacturers held some time ago in New York, at which there were present by invitation representatives of the Royal and one or two other Canadian banks, the outlook for South American trade was freely discussed by experienced export traders and Department of Commerce officials. All the evidence that came out would confirm Sir Edmund's judgment.

But in case that were not enough we will quote an actual experience given us by the president of a large American-Canadian corporation, doing export business. He had been induced to enter the South American market. After spending $200,000 to gain a foothold he went there himself. Investigation quickly satisfied him that the future held little promise as compared with Canada, Australia and other countries and he stopped all efforts.

As far as South American trade is concerned, North America with its high labor and other production costs and inferior transport facilities has very little chance in competition with Germany, Great Britain, France, Spain and Portugal in manufactured products. Germany, which has been working feverishly in all lines to regain her trade, will have in two or three years at the present rate of progress with her long hours, low wages and other costs, a larger merchant service than before the war and she is concentrating on South America.

TO SETTLE WEST'S VACANT LANDS

WORKING along practical lines the Western Canada Colonization Association is developing a plan which should go far to solve the problem of unsettled and unproductive areas on the prairies and prove an effective factor in helping to put the government railway lines on a paying basis. The vacant lands within easy reach of existing railways is held out of production by absentee owners and speculators. These lands are to be systematically listed and prices set which will prevail for a reasonable period. They will then be offered to prospective settlers.

Each of the prairie Province Governments has been asked to create a Land Settlement Board, clothed with authority to require each owner of unoccupied land to place a sale value on his holding good for two years. This sale value will be the basis for wild land taxation and will thus not be placed unreasonably high. Absentee owners will be asked to appoint a land agent in the locality where this land is located with power to conclude the sale of his holdings to settlers brought in by the W.C.C.A. or any other organization or agency.

The proposal outlined promises to largely overcome the objection to any general colonization scheme on a public-spirited basis—that certain localities might be favored by those back of the scheme. It has been favorably received by mercantile and financial interests of Winnipeg and the United Farmers of Manitoba and has received also the support of the Western farm press and newspapers generally. The idea has also been well received by the Western provincial governments and at the instance of Premier Norris, of Manitoba, a conference of the three prime ministers and the executive of the Colonization Association is being arranged to further the scheme.

A SQUARE DEAL FOR BRITISH CAPITAL

PREMIER STOREY of New South Wales is in Canada on his way home from England, where he went, he says, to assure British investors that the labor ministery of N.S.W., of which he is the head, does not seek to promote legislation of a confiscatory character.

This indicates two significant things. In the first place that it is appreciated in New South Wales that British capital is and will continue in the future to be an important factor in the development of the outlying portions of the Empire as it has been in the past. In the second place it is recognized that capital will seek the fields where it is given a square deal.

It is now more than ten years since THE FINANCIAL POST sounded a warning regarding the confiscatory character of the legislation being passed in Ontario to the detriment of British capital invested in the pioneer power developments at Niagara and other enterprises. An outstanding British capitalist of that time said—as a leading Canadian capitalist has said more recently—that he would not place another dollar in this province.

Legislation discriminating against private capital has been frequent during the regime of Sir Adam Beck. Power development has been carried out in spite of this but on the credit of the province until the provincial debt is to a very large extent represented by these various ventures the majority of which are still regarded by competent authorities as being in an experiment stage.

The Drury Government has shown appreciation of the extent to which the credit of the province is being involved in Sir Adam Beck's schemes—particularly the Chippawa project and the radial railway proposals. The time has arrived when the need for private capital and private enterprise is becoming evident. Ontario might well follow the example of New South Wales and adopt a policy which will encourage the investor by giving assurance against confiscatory legislation. Great harm has already been done but the sooner a change of heart is indicated the sooner will there be a chance of having the outside investor again look to this province with favor.

RESTORING A HEALTHY BALANCE

IT is not an uncommon remark that employers are taking advantage of the state of depression and unemployment to force wage reductions. This, in the opinion of the National Bank of Commerce of New York, is "an ill-advised comment calculated to cause bad feeling and indicates a want of understanding of the actual requirements of the situation." The bank's circular continues:

> The fact is that depression and unemployment exist because the industrial situation is out of balance, and there is no remedy except by such readjustment of wages and prices as will restore the balance and enable the various industries to exchange products on a fair basis. It is impossible when one-half the people of the country have lost approximately one-half their purchasing power for the other half of the people to go on without taking note of it. The depreciation of money which resulted from the war was not a natural or permanent development. Nothing of the kind has ever happened without a readjustment afterward, and it is always the case that the sooner that adjustment is accomplished, so that normal relations are restored between the industries, the better for everybody.
>
> It is of no advantage to workers in any industry to have costs maintained upon a level which prevents the sale of their products.

In some cases it is necessary in reaching a balance under the changed conditions now prevailing that there should be wage reductions, particularly in the case of railroads where wages were established on a political rather than an industrial or business basis. In other cases wages can be maintained with increased efficiency to reduce the production cost of the article manufactured. In the latter cases there is an actual benefit, equal to a substantial increase, when the reduced cost of living is taken into consideration. In brief, the buying power of wages has increased considerably during recent months but it is evident that there must still be further reductions in the cost of production to bring about that free movement of merchandise which will restore the confidence in industry and trade.

There has never been any evidence to support reports that employers would organize to close down their plants for the purpose of bringing about a general reduction of wages. In the first place the owners—largely investors—would lose heavily through the accompanying disorganization and they would stand to lose still more in the attitude which labor would assume in the future. When the street car employees made their last demands the Toronto Star stated that the employers would be glad to see a strike but the challenge of THE FINANCIAL POST to produce evidence that any employer took this stand has never been taken up.

But as the National City Bank points out, somebody must have the sagacity to attempt a restoration of the conditions under which an exchange of products is possible; "the compensation of workers in the various branches of industry—which means their purchasing power, must be brought back into equilibrium."

EDITORIAL NOTES

SIR ADAM BECK'S statement that he would secure legislation for his proposed radial lines to allow increased rates to whatever extent is necessary to make the roads pay after his successful opposition to the bill to give the Ontario Railway Board certain powers in this respect earns him the title of "The Audacious Autocrat."

VANDERLIP WAS RIGHT

By RICHARD SPILLANE,
In Commerce and Finance.

WHAT is "good" business? Nine men out of ten in the departments of production or distribution are longing for a return of "prosperity." They want to see the wheels of industry turning at full speed and the public buying freely. They don't know how the wheels are to be set agoing or how the public is to be brought back to buying as before, but they demand that somebody, either the people in Washington, the money lords of Wall Street, the army of labor which has been so arbitrary, or all three of them fix things up so we shall have good times again.

Three persons out of five cannot understand why, with just as many people to feed and to clothe, just as much money per capita as there was two years ago, just as much need for material for construction purposes, trade should be on a dead centre and the outlook should be so bleak. Thousands of earnest persons honestly believe that if certain ideas of theirs were put into effect the whole situation would be adjusted quickly. They have no more conception of the real trouble than a Senegambian has of the Einstein theory.

What we, in our ignorance, term "good times" are, in reality, bad times, for invariably they bring about disorders such as overindulgence in eating or drinking brings to our digestive organs or our nervous systems. There will continue to be the same wide swings from prosperity to stagnation, from extravagance and conscienceless waste to want and privation until something like order and system, understanding and common sense are brought into all the processes of the great human affair we call business.

The vast majority of men engaged in business have no scientific training for their work. In only one great line of endeavor—medicine—are the two great elements of theory and practice joined. In nearly all others we leave everything to natural aptitude and experience or luck and only the fittest survive. And while only the fittest survive we do not count the colossal wastes lack of scientific training entails.

We charge our troubles to others and accept prosperity as our due, rarely appreciating our deficiencies. If we succeed we consider ourselves clever, if unsuccessful, unfortunate or creatures of circumstance. And we go on decade upon decade, generation after generation, without self-analysis or seeing the faults in the system or lack of system.

For seven years the head of one of the great instiutions of learning has been conducting an investigation into the wastes of management in America. His report when published is likely to astonish many persons.

Anyone considers himself competent to run a retail business. What could be simpler? You buy stuff at one price and add a certain percentage for profit. That insures success. Unfortunately, however, there are costs that few take into account. Some goods sell readily, some slowly. Those that sell readily must be sold at narrow profit. Those that sell slowly may remain on the shelves for months or years. Many retailers know not how they stand until the sheriff looms before them. In no business is the mortality so high.

The farmer, by and large, is a poor business man. In 1914 the South, with the greatest cotton crop ever grown, had no market for its staple and faced bankruptcy. It appealed to the nation to "buy a bale." Thereafter prosperity came to it as never before. It got in one year from its cotton alone more money than is represented by all the gold produced in the United States from 1849—the time of the gold strike in California—to date. Yet with the present depression the South has fallen prostrate financially. Many of its banks are not functioning. That doesn't mean they have failed, but that they are unable to lend money on the crop now growing. With an immense surplus left from the last crop the South hasn't storage space for the crop now growing.

One year wiped out the profit of four years, four years of very great profit—and extravagance.

So, too, with the wheat grower, the corn grower, the cattle and sheep and hog raiser. He appeals to the Government for aid after four years of plenty.

A thousand concerns that knew no more about the intricacies and variations of foreign trade than the average man knows of theology plunged into that field of enterprise a few years ago. Credits of $50,000, $100,000 or more were given to men in foreign fields who couldn't get $1,000 credit in their home towns. To-day there are more than $2,000,000,000 of "frozen credits" to our account abroad and many banks mourn their lack of prudence, while at the same time the amateurs who were to do so much in international trade have mournfully retired and left foreign trade to those who have some knowledge, experience and common sense.

We are not alone in such experiences. Cuba, proportionately, probably had a greater measure of "prosperity" through four years of abnormally high prices for sugar and some other of her products than any other country on earth. She had the world by the tail. But she lost her hold. Sugar slumped and Cuba has had a financial crash that has shaken her as never before. One year of adversity after four of immense riches brought ruin or something approximating ruin.

Surely the whole system is wrong when such sudden and wide swings of the pendulum are possible. Surely the wastes are outrageous when "prosperity," immediately with its passing, brings disaster.

The steel business of the United States to-day is on a perhaps 25 per cent. production schedule. Some persons who should know put the figure lower. Yet never was there greater need of steel if the needs of construction and replenishing could be met.

An officer of the second largest concern in his line—a staple line—said the other day he was doing only 16 2-3 per cent. of normal business and has only one salesman on the road. Usually he has a regiment of salesmen out for he has fifteen plants—fourteen in America and one in Europe.

One year ago his concern was doing a business of nearly $500,000 a day. Now it is doing little more than $50,000 a day and losing money every day.

The periodical publishing business in New York, judged by the amount of its product passing through the post office, dropped one-third in volume of output in four months.

What's the answer? Ignorance.

Herbert Hoover says there would have been no such wild advance in coal prices last year if producers and the public were fully informed as to production, distribution and public requirements.

He also says there would have been no collapse in the tire industry such as prostrated Akron and brought some companies near disaster if the people in the industry had been fully informed.

What's the use of talking of "good business" if what we denominate as such is only the prelude to a smash?

America needs sane, sound business. It can have it only by study of business on scientific, clear lines. It cannot have it by reliance on dumb luck and awkwardness, regardless of how great is the nation's natural wealth or how advantageous its position by reason of the war. Europe, knowing trial and long adversity by reason of the war, will be forced to study and practice economies as never before. America cannot continue its wasteful practices and hope to retain its place.

America has a genius in mass production but in nearly everything else it is behind the European. Its economics in mass production are wonderful. Its wastes in nearly all other departments of production and distribution are woeful.

It never can know real "good" business, enduring good business, until it knows its wastes and gets rid of them.

Vanderlip was right.

PERSONALS

DR. W. L. McDOUGALD, who succeeds Sir Henry Pellatt as a director of Canada Steamship Lines, is president of the Century Coal Company, in which the steamship company is largely interested. This company was to have been included in the original British Empire Steel merger. Dr. McDougald is also a director of Dominion Steel Corporation and the British Empire Steel Corporation. He was connected with the Ogdensburg Coal & Towing Company for a number of years.

TANCREDE BIENVENU, who was elected to Canada Steamships Board, is vice-president and general manager of the Banque Provinciale and is gradually taking a large part in the financial and industrial life of Montreal. He is a director of the Lake of the Woods Milling Co., Credit Foncier Franco-Canadien, the Crown Trust Co., Montreal Water & Power Co., Guardian Assurance Co., Scottish Union & National Assurance Co., La Sauvegarde Life Assurance Co., and others.

W. H. HOGG, who has been apointed superintendent of the British Columbia branches of the Bank of Montreal native of Peterborough, Ont., tered the service of the bank ford. He served in various branches and went to the branch as accountant in 1886. following year he was appointe ger of the Regina branch and moted from that office to the ship of the Calgary branch. position he remained until 1911 he was made manager of the V branch, a position he has hel them until the present time.

CHARLES E. MITCHELL, the president of the National City B New York, takes the reins of the banking institution in the count the age of forty-four. He has wo high place on the merits of the he made in building up the National Co., at whose head he was place Frank A. Vanderlip, into the investment distributing organizati the United States, with more than branches, ten thousand miles of telegraph and telephone wires, hundreds of salesmen covering country and turning over hun of millions in securities ann Mitchell's first job paid him $10 a and he saved money from it. A M chusetts boy, he was graduated Amherst College. Then he went to for the Western Electric Co. in Chi studying business, law and electrical gineering at night, and rising to chi the credit department at the ag twenty-four. Later he was made sistant manager. Finally Mitchell ceived a plan to combine several tories of use to the Western Electric went to New York to see about the combination financed. Instea banker whom he approached offere young man a job as his perso presentative in outside enterpr which he was interested. His w in the investment field, and it was step to the formation in 1911 of hi firm, C. E. Mitchell & Co., from he was called to the National City

TO THE MAN OF 40

By A DOCTOR,
In the London Daily Mail.

At forty a man should be in his pri but he is about at the top of the and the level stretch is not a very one, though the descent is hardly noti able at first. Still, it must be allow for, and a gentle application of brakes has already become advisable.

He is like a piece of elastic that seen some service, and does not sp back to shape quite so smartly wh slightly overstretched.

His arteries are becoming more ri his bones more brittle. He does not cover so quickly from fatigue or seve illness as he used to, and his wh physique has become set, or adapted conformity with his habit of life, a sudden marked departure from whi inflicts a decided strain.

He would be well advised to cultiv moderation in all things, realising th excess in any direction is now mor liable to be fraught with serious quences.

Should he at any time overstep prudent line—as who does not occa ally?—he would be wise to settle score with Nature at once, not wai till she presents the account. Thi be done not necessarily by taking me cines but also by a period of strict moderation than usual on th particular point of transgression.

Exercise is just as necessary for h as ever, but here again—moderation. will often proudly boast that he can dure physical fatigue better than wh he was a lad. It may be; but he w find that he cannot recover from an cess of it nearly so quickly.

* * * *

He should particularly avoid over-e ing. This is perhaps his greatest dang His metabolism—the breaking do and building up of the body-tissues less active now, so he does not need much food as heretofore. Should he wisely continue to take it, the res will be a general overloading of the sy tem, throwing an undue strain on m of the internal organs, which will sur have to be paid for.

If he has been so foolish as to neg his teeth in the past, their care becom now increasingly important as the ye go on, and a timely application to dentist may possibly add many years his life. A jagged tooth causing a tongue becomes a real danger now, good health depends more than ever a healthy mouth and efficient mas tion.

The eyes, too, commence to underg alteration, and presbyopia, or old begins to show itself—very slightly first, but with ever-increasing in ence. He will hold his newspaper f er off than before, though at first h ly knowing that he does it.

It is useless to put off the evil When glasses have become necessary, should not wait for eye-strain to them imperative. True, his distant sion may be as clear as ever; but is not his working vision, and he shoul remember this.

To the man over forty I would "Live at about tenpence, and you will well for quite a long time; but go th whole shilling and—you may not.— E. R.

RUSSIA, AN "ECONOMIC VACUUM"

(Journal of Commerce, N.Y.)

Secretary Hughes does well to reply in some detail to the letter of the president of the American Federation of Labor asking for the facts relative to the possibilities of trade with Russia. There have been reports in this country, Mr. Gompers points out, that the demand for goods in Russia was so great and "the purchasing power of the Russian Soviet Government so vast it is almost impossible to determine the actual capacity of the Russian market to absorb goods of foreign manufacture." No well informed observer is or has been convinced in the least by any such "reports," which probably emanated from interested quarters. But certain sections of labor have no doubt been impressed and it is well that the facts be officially given.

New Issue. **$2,530,000**

PROVINCE OF MANITOBA
(CANADA)

Twenty-Year 6% Gold Bonds

Dated June 1st, 1921 *Due June 1st, 1941*

Principal and half-yearly interest (1st June and December) payable in gold at Toronto, Montreal or Winnipeg, at the holder's option.

Bonds may be registered as to principal.

Denomination $1,000 and $500.

Subject to legal opinion E. G. Long, Esq., Toronto.

THESE BONDS AND INTEREST THEREON ARE A DIRECT AND PRIMARY OBLIGATION OF THE PROVINCE OF MANITOBA AND ARE PAYABLE FROM THE CONSOLIDATED REVENUE FUND OF THE PROVINCE.

FINANCIAL STATEMENT

Area 251,832 Square Miles
Population 613,000

Assessed Value of Taxable Property Within the Province	$680,000,000
NET FUNDED DEBT	22,148,106
Value of Provincial Assets	94,108,000

PRICE: 98.29 AND INTEREST YIELDING 6.15%

It is expected that interim certificates will be ready for delivery on or about June 5th, pending the preparation of definitive bonds. Orders may be telephoned or telegraphed to any of our offices at our expense and securities will be delivered to purchasers free of all delivery charges.

A. E. AMES & CO.

Investment Securities

UNION BANK BLDG. - TORONTO
TRANSPORTATION BLDG. - MONTREAL
74 BROADWAY - NEW YORK
HARRIS TRUST BLDG. - CHICAGO
BELMONT HOUSE - VICTORIA, B.C

Established 1889

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

AMERICAN SUMATRA

O. M., Nova Scotia.—Please advise us if you consider the following purchases as desirable ones at or around the present prices as listed to-day. In the cases of the pound Sterling and the American Exchange (in Montreal) do you think those can be bought for less money in Canada within the next two months, or will they run higher? Please give us what information you can in the enclosed, addressed envelope.

As to American Sumatra why does this 10 per cent. stock (yielding probably over 13 per cent) hang around 70? Is the dividend likely to be dropped? Is the tobacco industry in for continued good times or not?

We thank you for early and definite information on these securities:

America Sumatra, quoted N. Y., April 20, 21, 71.

Pound Sterling, quoted Can. funds, Montreal, 4.40¾.

American Funds (Montreal), quoted 11⅛%, April 20, 21.

Judging by the fluctuations on the exchange markets during the past few weeks, and the apparent improvement in the European situation it would appear that the general tendency is toward greater strength and improvement. Unless some unforeseen development arises we believe that this present movement should be maintained.

You may have noticed that a few days ago a cut was declared in the dividend of American Sumatra Tobacco Company from 10 to 8 per cent. This action had without doubt been discounted by the stock markets as the price remained fairly steady following the announcement. The price has ranged from a high of 87 for the present year to a low of 68 and is now selling at 71 ex-dividend 2 per cent. The decision to cut dividends no doubt arose out of the unsettlement of the tobacco markets, and is not of such nature as to inspire confidence in this security.

STANDARD RELIANCE ASSETS

Reader, Mitchell.—Would like to know if shareholders in Standard Reliance Assets, are liable or can be made liable in any way. I am pretty certain as this is a limited company, and the shares are paid up in full that no liability can be possibly attached to the ordinary shareholder, but would like your opinion in confirmation of this.

The Standard Reliance Assets, Ltd., has been formed for the purpose of liquidating the obligations of the old company to the debenture holders, shareholders and depositors. We agree with you that it is highly improbable that any liability will be attached to shareholders in this company. We would suggest that you write to the president of this company, G. T. Clarkson, Esq., 15 Wellington Street West, Toronto, for complete details.

NUKOL

R. M., Ottawa.—I hold a few shares of Nukol stock. Can you give me any information regarding prospects of the concern.

The fact that stock of the Nukol Co. is advertised for sale daily in the Toronto newspapers and at a large discount from the purchase price is an indication that the stockholders do not hold the securities of this company in high regard. We have always looked upon the stock of this company as a gamble, and no developments have materialized of late of such nature as would lead us to alter our convictions.

COLONIAL REALTY

Reader, Almonte.—Would you kindly advise me what are the prospects of and how valuable is stock in the Colonial Realty Securities Corporation, Toronto.

No sale of Colonial Realty & Securities, Ltd., has been recorded now for some time, and it is impossible to estimate the value of the stock in the market at the present time. The company, as you are aware, does not pay dividends, and during the war suffered extensively from the slump in Western real estate. It is building up, however, and has large holdings on hand upon which it should realize profitably in the near future. There has been no very extensive movement in vacant lands for some time past, but with building costs lowering steadily it would appear that the vacant lands should come once more in demand before long. It will undoubtedly be some little time yet for the company to get back upon a normal basis, or before the stock will be paying dividends.

BORING FOR GAS

J. M., Hamilton.—Can you give me an idea of general terms usual in boring for gas, terms between an owner of a farm and a gas company?

The gas or oil company is required to secure a lease from the farmer for certain specific territory or a definite number of acres. The length of the term of this lease varies according to the wishes of the farmer or company, for one year or more. In some cases a lease for an indefinite period has been secured. This of course is not as a rule satisfactory to the farmer. The usual term of lease is one year, renewable if desired by both parties. The company usually pays a nominal rental on the land held, from 50 cents an acre per year up, the rental varying according to the proximity of the land to proven oil or gas bearing territories. In addition the farmer may receive a royalty on output, usually one-tenth or one-eighth. The company is further required to make compensation for space occupied, and the farmer may recover damages for damage to crops through the operations of the company.

The gas fields of the Niagara peninsula have been subjected to some rather extensive development during the past few years, and we understand that the gas production is beginning to fall off. On the whole the future for the gas companies operating in this field does not appear bright, and for this reason we can see little merit in their securities for investment purposes.

GIFFORD COBALT

S. D., Toronto.—What is your opinion of Gifford Cobalt Silver Mine? Is there any prospect of the company ever resuming operations? I am the holder of several thousand shares of this stock but as its present market value is only 1c it is not worth while to sell unless there is absolutely no prospect of the company resuming operations.

If there should be a material improvement in the price of silver in the future there seems a probability that Gifford Mines will again resume operations. Just now the silver mining industry is much depressed because of the slump in silver prices, and a number of the more important mines are closing down. Development work had proceeded to a depth of more than 200 feet on the Gifford properties before work was stopped, and it is said that the showing at the lower depths was even better than on the surface. The stock is, of course, a gamble, but under the circumstances we believe that it would be preferable to retain your holdings rather than sell them at present prices.

DOME AND HOLLINGER

G. G., Ottawa.—Do you consider Dome Mines a good speculative buy at $25, and Hollinger at $7.50?

Your quotation on Dome Mines is a little above the latest market price at $22.50. Just how far the stock will advance beyond this price it is difficult to say. It has already made substantial appreciation since the beginning of the present year from a low of $11.75. There are enthusiasts, however, who declare that the rise will continue, and it appears from general indications that this is quite possible. The outlook for the gold mines is decidedly bright. The purchasing power and consequently the value of gold is increasing in the proportion in which the general level of community prices is declining. The labor situation has vastly improved, and the mining companies are not only assured of an ample supply of help but at a reasonable wage. The same conditions apply equally to Dome and Hollinger, although in the case of the latter stock, price movements promise to be of a more conservative nature.

COMMERCIAL FINANCE

A. H. D., Toronto.—I would esteem it a favor if you would give me your opinion of the common stock of the Commercial Finance Corporation of Toronto. What are their future prospects, and do you consider this an opportune time to invest in this corporation?

The record of the Commercial Finance Corporation has been satisfactory. This is a comparatively new company, organized in April, 1919, and engages in the business of handling automobile security notes. The company has a strong directorate and seems to be assured of continued capable management. The paid-up capital amounts to over $400,000, and we are informed that the business for the first year and a half of operation or until the end of 1920 amounted to more than $1,750,000. So far three half-yearly dividends have been paid on the preferred at the rate of 7 per cent. per annum. The preferred is being sold at par with a 25 per cent. bonus of common. No dividend has as yet been declared on the common. This stock is of course speculative, but there is undoubtedly a fair prospect of appreciation and profit.

OLD RIORDON PREFERRED

Subscriber, Temiskaming, Que.—What do you think of old Riordon preferred as a buy at the present time?

We believe it would be advisable for you to wait at least until the first of June until you see how successful is the appeal made to the shareholders for subscriptions to the new bond issue as a means of financing the company. If this support is not accorded in sufficient measure it is announced that the company will be forced to go into liquidation. We are under the impression that even with the company continuing in business and weathering the present crisis there will be no payments on preferred dividends for some time to come. According to the plan of last year the old Riordon preferred has as equity no physical assets of the Riordon Company. These were surrendered in return for an equal quantity of 8 per cent. preferred stock of the Riordon Company, although in the event of liquidation it seems certain that the old preferred would have a claim on the 7 per cent. preferred and common stock of the new Riordon that is in the Riordon Pulp and Paper Co's treasury. We would hardly think you would desire to purchase a security that is not paying a dividend and may not for an indefinite period.

SPANISH AND BROMPTON

F., Battleford, Sask. — In January I bought 50 Spanish preferred at 90½. My brokers advised me that the dividend was absolutely safe. If such is the case why has the stock gone down so much, and do you think it is apt to go lower?

Would you advise buying Brompton around 33 as a good speculation?

We agree with your brokers that the preferred dividend of Spanish should be regarded as safe. The stock declined as did practically every preferred stock in the list, and went farther than some others through the reaction against the paper stocks following upon the sharp inflation in prices on the market of these stocks, and the decline that followed the change in business conditions for the present in this industry. By the fall we feel there should be a considerable improvement in the demand for newsprint. At the same time you should be prepared for lower prices for the last half of the year as compared with the present rate on contract of $110 a ton, and when this is announced next month it may be that Spanish with other paper stocks will decline again. If you are willing to hold your stock, however, say until next year, we feel that it should easily recover to the price you paid for it, and eventually will sell much higher.

So far as Brompton is concerned, it would appear to be a fair speculation at the present price. It, too, may have reverses again this year but held over a few years it should go far to recover the losses it has made on the market. It looks as if the four per cent. dividend is fairly safe this year, and over a period the dividend should go again considerably higher.

INDUSTRIAL BONDS

Investor, Ridgetown, Ont. — Do you consider Wayagamack 6% bonds, Ontario Pulp & Paper 6% bonds, and Howard Smith 7% second mortgage bonds safe investments? Please place the above in the order of merit to which they belong.

We would place these in the following order: First, Ontario Pulp & Paper, 6 per cent.; second, Wayagamack, 6 per cent.; third, Howard Smith second mortgage.

In the case of the former you would have a first mortgage proposition with the advantage that all the bonds of this company are guaranteed by the Spanish River Pulp & Paper Mills, and must receive as a bonus 10 per cent. of the total dividends paid to shareholders of the Spanish River Co. At the present rate, this would increase the interest rate on the bonds by about 1¼ per cent., and give considerably over 8 per cent. yield. The Wayagamack is a first mortgage issue of which $3,500,000 are outstanding out of $5,000,000 authorized. The Howard Smith issue remains a second mortgage until the holders of the first mortgage bonds of the Howard Smith Paper Mills and the Toronto Paper Manufacturing Co. decide to exchange their present bonds for the new 7 per cent. bonds. It is understood that as soon as a majority of the bondholders decide, the minority can be compelled to exchange, in which case the new bonds would become first mortgage. An effort is being made along this line. The first two we consider safe investments, and the last mentioned should be placed in this class once they become a first mortgage claim.

CURRENT OPINIONS

COL. PECK'S LITTLE JOKE

Military Gazette

There are few men in Parliament more respected and liked than the member who can write "V.C." as well as "M.P." after his name. True to form, the worthy member is as modest as his record in the war was brave, and he has besides a saving grace of humor which sometimes illlumines an otherwise very serious debate.

When the item for clothing was before parliament recently, quite a heated debate arose as to the relative merits of kilts and trousers, to use the words of Mr. Jacobs, the clever Hebrew member from Montreal. The minister pointed out that while kilts cost more, the Highland regiments were only allowed for the cost of trousers, and had to make up the difference from their own resources. Some members of Highland descent became very earnest, not to say heated, over the subject, and Mr. Jacobs had a good deal of good natured fun at their expense, when Col. Peck came back with the following anecdote.

It seems that the new State of Palestine is busy organizing an army, and that a regiment is to be clad in Highland uniform. This corps, according to the colonel, is to be called "The Jordan Highlanders," and, after prolonged debate, it was decided that the motto on the regimental color should be "No advance without security."

DO THE EMPLOYES UNDERSTAND?

Railway Age

Reductions in wages and salaries or even the prospects of such measures are sure temporarily to cause a serious reduction of the esprit de corps in any organization. Such an agitation affects officers and employes alike for it is disheartening to any man to curtail his plan for saving or his budget of living expenses. The situation becomes aggravated when the individual does not fully appreciate the conditions which enforce the retrenchment. This is a fact which the railroads cannot afford to overlook in carrying out their proposed wage reductions, because efficiency of operation will probably be affected in greater measure by the depressing influence on the subordinate officer and the loyal employe than on those who are affilliated with the stronger abor organizations. If nothing is done to combat this influence, it will serve largely to possible effort is being made to introduce economies which do not entail the reduction of wages. The employe should be given to understand that the management will be pleased to entertain any suggestions which will effect further economies. A reduction in wages is a painful procedure and should be conducted in a spirit that manifests a realization of the sacrifices involved.

THE MAN WHO HAS ARRIVED IS IN DANGER OF SLIPPING

The highest salary paid any American some years ago was $200,000 a year. It was paid by a very large organization to a man who had earned a wonderful reputation. The arrangement, however, did not turn out quite as satisfactory as the organization had hoped. The reason was this: The man was no longer youthful; he had become accustomed to luxurious living; he knew that he had "arrived"; and instead of hastening here and there to find things out for himself, he often sent subordinates. The company had expected that he would go himself.

Schwab lays down this axiom: "Never engage a man whose reputation has already been made. Engage one who still has his reputation to earn."

I have repeatedly noticed that the man who is quite sure he has "arrived" is about ready to start the return journey. Reputations are like brass: they constantly need to be shined up if they are to remain bright.

There is a wholesome thought in this not only for those who have already reached the top but for those who hope to reach the top, says B. C. Forbes, in Forbes Magazine.

RSC INVESTMENT-SERVICE

The Problem of Our Railways

—and a suggested solution, is the main topic of the current edition of *Investment Items.*

The seriousness of the situation is clearly pointed out. The solution proposed is both interesting and informative.

Write for a copy to-day.

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Well Secured Bonds for Investment

Yielding 6% to 8%

We buy, in whole or in part, issues of securities for the financing of corporations, municipalities and provinces.

Write for Investment List

Greenshields & Co.
INVESTMENT BANKERS
14 King St. East Toronto
Montreal Ottawa

New Issue **$2,500,000**

City of Edmonton, Alta.

Twenty-Year 7% Bonds

Dated June 1st, 1921 **Due June 1st, 1941**

Principal and half-yearly interest (1st June and December) payable in Toronto, Montreal, Winnipeg or Edmonton, at holder's option.

Denominations: $1,000 and $500.

Legal Opinion: E. G. Long, Esq.

Price: 99.00 and Interest, Yielding about 7.10%

Write for descriptive circular, or telegraph or telephone your instructions at our expense.

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Canadian Pacific Railway Building
Toronto

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Montreal
Winnipeg

Saskatoon
New York
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NEWS OF THE BOND MARKET

PROVINCE OF ONTARIO
6% COUPON BONDS
Due May 2, 1936
PRICE: 99.50 and interest
To Yield 6.05%
HARRIS, FORBES & COMPANY
INCORPORATED
C.P.R. Building
TORONTO
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INSURANCE
Promptly effected in all its branches
FIRE, AUTOMOBILE, ACCIDENT, LIABILITY, ETC.
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WINNIPEG

We own and offer:
$7,000
City of Montreal 6% Bonds
(Protestant School Commissioners)
Due 1st January, 1948. Interest payable 1st January and 1st July
Price: Par and Interest
UNITED FINANCIAL CORPORATION, LIMITED
14 KING STREET EAST, TORONTO
Montreal Ottawa London, Eng.

McDOUGALL & COWANS
(Members of Montreal Stock Exchange)
HEAD OFFICE:
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Branch Offices:
Quebec, Ottawa, St. John, Winnipeg, Halifax, Toronto
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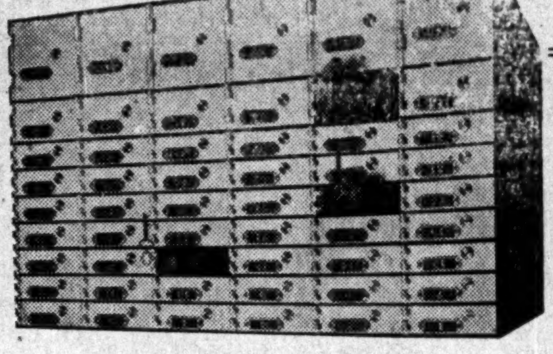

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Install Safety Deposit Boxes in your vaults as a source of revenue. Your customers will avail themselves of this excellent means of securing protection for their valuables.
For full particulars and prices, address
J. & J. Taylor, Limited, Toronto Safe Works TORONTO.

Imperial Oil, Limited
DIVIDEND

NOTICE is hereby given that a Dividend of seventy-five cents per share in Canadian funds has been declared by the Directors of Imperial Oil, Limited, and that the same will be payable in respect of shares specified in any Share Warrant of the Company within three days after the Coupon Serial Number Eight of such Share Warrant has been presented and delivered to:

The Royal Bank of Canada,
Toronto, Ontario.

or at the office of:

Imperial Oil, Limited,
56, Church Street,
Toronto, Ontario,

such presentation and delivery to be made on or after the first day of June, 1921.

Payment to Shareholders of record and fully paid-up at the close of business on the twenty-fifth day of May, 1921 (and whose shares are represented by Share Certificates), will be made on or after the first day of June, 1921.

The books of the Company for the transfer of shares will be closed from the close of business on the 25th day of May, 1921, to the close of business on the 1st day of June, 1921.

By order of the Board,
T. C. McCOBB,
Secretary.

56, Church Street,
Toronto, Ontario.
May 25th, 1921.

EXPERIENCED SURETY UNDERWRITER
capable of filling a responsible position is open for re-engagement. Address Box 96, Financial Post.

VANCOUVER CUTTING DOWN TAX ARREARS

Some Improvement Being Made in City's Financial Position

From Our Own Correspondent.

VANCOUVER.—The annual financial statement of the City of Vancouver will be available shortly and will indicate quite substantial improvement in some departments of the city's finances. Expenditures for the past year exceeded revenues by $65,729, but the difference was due to heavy exchange payments on an issue of treasury notes that fell due in New York.

Tax arrears, which at the first of the year stood at $5,216,456, were reduced during the twelve months to $3,817,633. The total amount collected in cash against tax arrears has been $1,371,000 since the end of 1918 in addition to $439,988 worth of property falling to the city as a result of tax sales.

Sinking fund shortages totalled $2,228,184, an increase for the year of $489,319, but during 1919 $605,704 had been borrowed from the bank on the security of tax arrears to set up instalments for 1917 so that the position as between sinking fund instalments and tax arrears has in reality improved.

Earnings of the Canadian Pacific Railway for the third week of May amounting to $3,069,000, show a decrease of $564,000, or 15.5 per cent., as compared with the corresponding period in the previous year.

ROUMANIAN BONDS ARE OFFERED AT A HUGE DISCOUNT

To Canadian Manufacturer in Exchange For Shipment of Company's Products

A BIG GAMBLE

Roumania in Bad Way Financially—Has Defaulted in Payment of Interest Charges to Canadian Government

The head of a Canadian manufacturing concern has been asked to accept government of Roumania bonds as payment on a shipment of goods to that country. The bonds are offered at a substantial discount but he questions the wisdom of accepting the offer and writes to THE FINANCIAL POST for advice. The inquiry follows, together with the reply that has been forwarded:

> We are writing you for your opinion as to the desirability of Roumanian 5 per cent. bonds due April, 1923, and payable in Sterling. These we can purchase for approximately seven shillings to the pound. In other words, we are offered a block of £400,000 for approximately $125,000 to $130,000 in exchange for our woolens.—N.S.

We do not believe that it would be advisable for your firm to gamble with such a large amount of money as you mention. Purchase of the Roumanian government bonds can only be thus regarded, and this fact is indicated by the very large discount at which the bonds are offered you. The Roumanian government is in a bad way financially, and has recently defaulted in the payment of certain interest charges to the Canadian government. If these bonds were for a longer period they would possess more attraction, but at the present moment it does not appear that the finances of the government will recover to such an extent within the limited time as to enable her to discharge her outstanding obligations. At the present time the government is required to maintain a large standing army. The citizens of Roumania are given over to Bolshevik tendencies, and to retain its position the government not only has to keep this army but to pay it well. It is this fact of the comparatively high pay that the army remains faithful to the government, or otherwise the members would without doubt join the ranks of the agitators. All available revenue is utilized in meeting unavoidable charges as they arise, and there is little prospect of a surplus for some time to come.

In this connection another factor affecting the revenue may be cited. Before the war the land of Roumania was owned by some 300 persons. Approximately 80 per cent. of the population live on the land, and the great mass of the workers were little better than serfs. During and since the war, however, the estates have been broken up and placed in the hands of the peasants, on some financial arrangement by which the government issues bonds to the former landowner and receives bonds from the new owners. The peasants to celebrate their freedom from bondage are no longer expending the same productive effort in the fields, with the result that agricultural production has declined very materially.

The fertility of the soil, however, cannot be excelled, and in this fact undoubtedly lies the salvation of the country. Given time, and an earnest desire for work on the part of the mass of citizens, the country should recover. It will undoubtedly take time and we see little prospect of relief before the date of the maturity of these bonds.

HE WAS A GOOD SPORT

Down in an Eastern Ontario town the chairman of the local finance committee, a butcher by trade, is the town sport. His favorite occupation is making what he calls "sporting propositions" to the people he does business with, and he carries his habit into the management of the town's finances.

The town gave an option on an issue of bonds to a Toronto bond house and offered the latter half a point commission on all the bonds it sold. The issue dragged a bit and the bond dealer went to the chairman of the finance committee and offered to press the sale of the bonds a little more energetically if the margin of profit were raised a quarter of a point.

"That extra quarter of a point would amount to about $100 on the whole," said the butcher-financier. "Now I'll tell you what I'll do. If you sell all those bonds for us by Christmas we'll give you a check for $100. That's what I call a sporting proposition."

The bond man hurried back to Toronto, arranged a loan from a bank and took up the whole issue at once, collecting the $100 bonus. "We're just as good sports as they are," said the bond man.

There is, of course, the possibility that the country will discharge its obligations ultimately, if not on the date of maturity, but the situation is all so uncertain and irregular that we see little attraction in the offering.

CITY OF EDMONTON'S SINKING FUND GROWS

Stands at 20.9% of Gross Debt —4.05% Ten Years Ago

The city of Edmonton has materially improved the relation of sinking fund to gross debt in recent years. In 1911 the percentage of sinking fund to total debenture debt stood at 4.05 per cent. In 1916 this percentage had grown to 11 per cent. and to-day it stands at 20.9 per cent. In this connection the city's position compares favorably with other Canadian cities. The percentages of sinking fund to gross debt in a number of other cases are as follows: Montreal, 3.2 per cent.; London, 12.9; Hamilton, 20.7; Brantford, 23; Calgary, 14; Ottawa, 24.7; Victoria, 10.6; Toronto, 27.2; Winnipeg, 27.1; Saskatoon, 19.8; Vancouver, 17.2, and Regina, 30.6.

While the debt of Edmonton has remained comparatively stationary during the past few years the sinking fund has increased during the same period at an average rate of nearly $800,000 a year, or from less than $1,500,000 in 1914 to $6,289,512 at the present time. Edmonton's sinking fund is governed by three independent trustees, and it is invested as follows:

	Par Value	Book Value
Cash on hand	$ 229,208.47	$ 229,208.47
Dom. of Can. War Bonds	629,500.00	618,773.04
Dom. of Can. Guaranteed Bonds and Securities	4,866.66	4,034.97
Provinces of Canada Guaranteed Bonds and Sec..	475,768.44	406,768.44
Can. Municipal and Schol Dist. Deb.	726,008.35	672,259.31
City of Edmonton Debentures bought in England	1,609,315.63	1,294,172.97
City of Edmonton Debentures bought from city	419,081.51	401,685.64
City of Edmonton Short Term Debentures and Treasury Notes	1,201,230.80	1,195,560.00
Firts Mortgages on Real Estate	1,094,130.51	1,094,130.51
Real Estate Acquired less depreciation	69,738.20	69,738.20
Interest Due and Accrued	302,755.36	302,755.36
Accounts Receivable	425.84	425.84
	$6,762,029.77	$6,289,512.75

MANITOBA SELLS TWO BLOCKS OF BONDS

For Canadian and American Markets—$4,580,000 in All

Two blocks of the province of Manitoba bonds totalling $4,580,000 were sold this week, one for distribution in the United States and the other for sale in Canada. On Monday last Hon. Edward Brown, provincial treasurer, awarded a block for $2,000,000 to Wood, Gundy & Co., National City Co. and E. H. Rollins & Co. The bonds bear interest at 6 per cent. and are for ten years, payable in New York, Toronto, Montreal or Winnipeg. At the price paid, of 99.29 in Canadian funds, the cost price is equivalent to a basis of 6.075 per cent. Alternative bids were called on the issue for ten-year bonds in American funds, or twenty-year bonds in Canadian funds. The present issue is for the purpose of refunding treasury notes sold by Manitoba last year.

This is the first provincial offering that has been made on the American market for several weeks, and it is generally concluded that the ease with which the recent Newfoundland issue was disposed of indicates a receptive market for Canadian provincials as well. The following are among the bids:

Wood, Gundy & Co., E. H. Rollins & Co., National City Co..	99.29
Halsey, Stuart & Co., First National Bank, Minnesota Loan & Savings Co.	99.178
W. A. MacKenzie & Co., R. A. Daley & Co..................	98.84
Harris, Forbes & Co.	98.764
A. E. Ames & Co., Blair & Co., Kissell, Kennicut & Co., Illinois Trust & Savings	98.70
Dominion Securities Corp.	98.441
Canadian & General Securities, A. Jarvis & Co., Continental & Commercial Savings B'k, Wells, Dickey & Co.	98.05
United Financial Corp., Guarantee Trust, Bankers' Trust	97.691

The second issue for $2,580,000 was awarded to a syndicate composed of A. E. Ames & Co., United Financial Corporation and R. C. Matthews & Co. These bonds are for twenty years, bearing interest at 6 per cent., principal and interest payable in Winnipeg, Toronto and Montreal. At the purchase price of 96.55 the cost basis is approximately 6.31 per cent. The proceeds of the sale will be used to meet capital expenditures during the present year. The accepted tender was the highest submitted on the twenty-year plan provided in the initial call upon the $2,000,000 issue.

Bids are as follows:

A. E. Ames & Co., United Financial Corp., R. C. Matthews & Co.	96.55
Dominion Securities	96.331
C. H. Burgess & Co., McLeod, Young, Weir & Co., Canadian Debenture Corp., McNeill, Graham & Co., Nesbitt, Thompson & Co.	95.813
Wood, Gundy & Co.	95.78
Harris, Forbes & Co., Hanson Bros., National City	95.42
A. Jarvis & Co.	94.66
W. A. MacKenzie & Co., R. A. Daly & Co.	94.27

B.C. AND ITS CITIES LOSE OUT ON BUDGET

Heavy Tax on Whiskey Will Affect Profit on Liquor Sales

From Our Own Correspondent.

VICTORIA.—In one way, Sir Henry Drayton's budget came as a distinct disappointment to British Columbia and its municipalities. The province has been counting on a large revenue from profit on liquor sales when Government control of the traffic is brought into force. It has been estimated as high as $5,000,000 a year. With the additional heavy duty on whiskey, that Sir Henry announced, the profits are going to be materially reduced, as the government here does not feel it can ask the people to pay the extra tax in full on the retail price for a bottle of liquor.

The municipalities are affected because it had been planned to give them half of the liquor profits, to aid them in recovering from their financial difficulties many of them have had to face.

The proclamation bringing government control of the liquor traffic into force in B.C. has not yet been issued, but the government is busy lining up the necessary agencies for the sale of liquor, under A. M. Johnston, former deputy attorney-general and now chief liquor commissioner. When the superstructure necessary for handling the business has been built, the proclamation will be issued.

Buffalo Corporation Counsel asks U.S. Attorney-General Newton for opinion on constitutionality of Pennsylvania 1½% tax on anthracite, contending that, in levying on coal exports, state violates Congress' exclusive right to regulate interstate commerce.

BOND MOVEMENTS OF THE WEEK

Bonds—	Int. Rate.	Due Year.	Yield.	Range 1921. High.	Low	Latest price week end. May 24. Ask	Bid	High	Low	Sales
Bell Telephone . .	5	1925	6.90	93½	94¼	92½	..	92¾	..	$3,000
Can. Felt.	6	1940	8.03	80	..	..	..	80	..	1,500
Can. Cement . .	6	1920	7.11	94	91½	..	92	93½	93	3,000
Can. S. S. (debs.)	6	1943	8.20	71	65	..	..	66½	..	1,000
Cedar Rapids . .	5	1953	5.82	89¾	86⅛	..	88	..	..	1,300
Dom. Iron . . .	5	1929	8.30	82	75	78⅞	78	78⅞	..	5,000
Dom. Textile (C)	6	1925	7.58	94⅛	90	94	..	94	..	500
Kaministiquia . .	5	1937	6.96	81	80	81	..	81	..	500
Montreal Dec. '22	6	1922	2.40	108	96½	..	104	107¼	..	15,000
Montreal May '23 .	6	1923	3.87	108	103	..	105½	105	..	2,000
Montreal Sept. '23.	6	1923	6.55	99¼	97¾	..	99	98¾	..	100
Lake of Woods . .	6	1923	6.87	98	..	..	96	98	..	2,000
Penmans	5	1926	7.72	88	85	..	87	88	..	3,500
Price Bros. . . .	5	1940	6.56	84	78	84	..	83	..	1,760
Quebec Rly. . . .	5	1939	8.65	68	59	64¾	64¼	64¾	63½	188,500
Steel of Can. . . .	6	1940	6.58	95	92	93½	..	93½	..	2,100
Wayagamack . . .	6	1951	8.12	87¼	75	..	76	76	..	2,000
War Loan (1925) .	5	1925	6.22	95.75	92.00	95.05	94.95	85.25	94.90	28,900
Do., (1931) . . .	5	1931	5.88	95.25	90.75	93.20	93.10	93.10	93.00	58,600
Do., (1937) . . .	5	1937	5.27	98.50	94.50	97.00	96.85	97.30	96.00	200,800
Victory (1922) . .	5½	1922	5.82	99.40	96.62	99.50	99.40	99.40	98.50	81,450
Do., (1923) . . .	5½	1923	6.32	99.00	95.50	98.20	98.15	98.40	97.60	170,300
Do., (1924) . . .	5½	1924	6.59	98.50	94.25	96.70	96.65	96.90	96.45	142,780
Do., (1927) . . .	5½	1927	5.81	99.12	95.25	98.50	98.30	98.50	97.75	122,900
Do., (1933) . . .	5½	1933	5.82	99.00	95.12	97.30	97.75	97.50	97.00	414,950
Do., (1934) . . .	5½	1934	6.03	96.12	92.25	95.05	95.00	95.15	94.80	385,200
Do., (1937) . . .	5½	1937	5.57	100.50	96.50	99.25	99.20	99.50	98.90	379,250

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ECONOMIC WEAKNESSES OF THE HYDRO RADIAL SCHEME

Continued from page 1

ently been considered by the Arnold firm for there was nothing touching on it in their whole report.

Mr. Sager, however, thought the steam roads were conservative and might not go into electrification schemes. Mr. Hellmuth in turn pointed out that the steam roads now have all the traffic and if at much lower capital outlay they would hesitate about spending money for electrification, how could the Hydro without sidings to industries earn enough to meet their charges?

Robbing Peter to Pay Paul

Turning from this, Mr. Hellmuth quoted to show that the Arnold report estimated total traffic revenues on the proposed Hydro system of $7,500,000. This large sum of money was to come from 970,000 people, which meant that every man, woman and child had to "bear a burden," as he put it, of $7.76 to make the radials pay. He wanted to know if there was a territory on this continent where there was exacted such a high per capita toll. Mr. Sager, however, did not attach much importance to this detail.

Then Mr. Hellmuth wanted to know what advice Mr. Sager would give if the people of Canada came to him as a client and asked whether $38,000,000 should be spent to construct new lines "to compete with ourselves" and to take away from Paul a large percentage of his business in Ontario in order to give it to Peter. Mr. Sager did not give direct answers but admitted a considerable amount of business would be taken from existing roads by the proposed hydro radials.

It is significant that Mr. Hellmuth, who was chosen as a sort of impartial counsel by the Ontario Government, said:

"What we have to consider is the interest of the people of Canada as a whole, not of any one government, nor the fad or fancy of some one who is not concerned with the welfare of all the people. Having this in mind how could you advise the expenditure of $38,000,000 on new roads that would get the bulk of their traffic by taking it from existing roads?"

Mr. Sager hesitated to give an unqualified answer on questions of this kind involving economic policies.

The sittings of the Commission, THE FINANCIAL POST learns are expected to end in about three weeks.

CIVIC AND PROVINCIAL FINANCE

SETTLING A DEFAULT IN THE PIONEER DAYS

Portage la Prairie Used Crude Methods When It Was Shack Town

Defaults of some Western municipalities recall former difficulties that have been experienced in the history of Canadian municipal finance. Perhaps the most dramatic settlement between a group of bondholders and a defaulting municipality was arranged about thirty years ago between Portage la Prairie and an English baron who was sent out from London to interview the city when it failed to meet its interest payments.

When the English lord arrived a meeting of the townspeople was called. He asked them what they intended to do about paying their debts. The mayor of the town replied that the civic treasury was empty and the debts could not be paid at the moment.

"If you do not meet your debenture payments at once, we will get a sheriff's order to seize every building in town," was the ultimatum of the English financial man.

The mayor and the leading townspeople held a hurried consultation. Then the mayor announced to the baron: "Go to it, old boy. Get your sheriff's order. But we warn you that before you have had time to put it into execution we will organize the biggest moving bee that has ever been seen on the prairies. We'll drag every building in town over to the next townsite, change the name of the town, and let you have what's left."

A settlement was hastily arranged, the town's debts consolidated and extended over a term of years.

That was civic finance in the early days of the wild West.

A CIVIC MANAGER FOR SWIFT CURRENT

According to Agreement of City's Representatives and Bondholders

From Our Own Correspondent.

REGINA.—For five years civic affairs in Swift Current, Sask., will be in charge of a civic manager. This is the result of a meeting between representatives of the city and bondholders. According to Mayor Yule the agreement entered into between the two parties provides that the city manager shall exercise all the executive powers of the mayor and council, the manager, however, to be subject to the advisory offices of a sort of trustee committee consisting of three representatives of the bondholders and two from the city council. The school estimates also will come under the jurisdiction of the manager.

In order to give effect to the agreement, which has been made because of the present condition of the town's finances, it will be necessary for the town to apply to the Saskatchewan Legislature for a special act to validate the whole transaction.

TORONTO'S FINANCING

Prospect of Over $26,000,000 in Bonds This Year

In addition to Mayor Church's estimate of about $18,000,000 of bonds issued this year to cover the costs in connection with the acquisition and rehabilitation of the Toronto Railway Co., the council has recently authorized issues aggregating $1,385,000 and approved an application of the Hydro Commission to raise $750,000. Other by-laws sanctioning further issues have been approved at previous meetings. There is $6,000,000 of local improvements works finished last year which have to be funded. If only these issues are made this year Finance Commissioner Ross will have to float $26,000,000 of bonds, but there will be undoubtedly other requirements which will increase this total.

A. S. Burleson, ex-Postmaster General of the U.S., is now in Berlin negotiating cotton credits under scheme by which American cotton to be shipped to Germany and payment made from profits derived from sale of finished cotton goods. Credits are for one year and will bear 7% interest.

NEW ALBERTA ISSUE

Dominion Securities Corporation, Ltd., is offering a new issue for $1,000,000 of the province of Alberta fifteen-year 6 per cent. gold bonds. At the price quoted of 97.59 and interest the yield to the investor is about 6¼ per cent. Principal and interest are payable in Toronto, Montreal or Edmonton at the holder's option.

CONTINUE DOMESTIC LOANS

Alberta Government Has Started Selling of Issue for $2,000,000

From Our Own Correspondent.

EDMONTON.—Selling has started briskly on the Alberta Government's new domestic bond issue of $2,000,000 authorized by recent legislation. About a quarter-million has been placed since the first of May, the buyers being mostly small investors in this province and in Saskatchewan and British Columbia. The terms are the same as in the first domestic issue, the bonds bearing interest at 6 per cent. and maturing in ten years.

Alberta domestic bonds have met with a good reception since first put on the market, and the provincial treasury will continue them as a part of its money-raising system. The full issue of $1,000,000 offered as a starter last year has now been taken up, the final sales having been made about a month ago.

PORT COQUITLAM CAN NOW REFUND BONDS

Issue for Purpose One of Three B. C. Issues Bought by National Bond Corp.

Three British Columbia municipalities have sold bonds to the National Bond Corporation, Ltd., of Vancouver. Prince George has sold $55,000 of fifteen-year 6 per cent. debentures payable in New York as well as Canada.

The South-east Kelowna Irrigation District has disposed of $20,000 of ten-year 8 per cent.'s, payable in Canada only, and the city of Port Coquitlam has sold $100,000 of twenty-year 7 per cent. bonds payable in New York.

The Port Coquitlam issue is to provide money for the refunding of the issue that fell due in New York on March 15 and was not paid, owing to delay in securing legislation from the provincial Government to provide the necessary funds.

THORNTON AS COMMISSIONER

To Look Into Taxation Matters in Saskatchewan

Following their promise to inquire into urban and rural taxation in Saskatchewan the provincial Government has appointed City Commissioner Thornton, of Regina, to act as one of the commissioners.

Money By-Laws

TENDERS WANTED

June 6, Saskatoon.—$190,300 6 per cent., 15 and 30-years; $13,700, 5 per cent., 30-years. Andrew Leslie, City Commissioner, Saskatoon.

May 28, Township of Pelee, Ont. — $5,744, 6 per cent., 20-instal. drainage debentures. William Stewart, Township Clerk.

June 1, Toronto—$5,000,000, 6 per cent. serial bonds. Geo. H. Ross, Commissioner of Finance, Toronto.

June 11, Vermilion, Alta.—$10,000, 7 per cent., 20-instal. debentures. D. Taylor, Sec.-Treasurer, Vermilion.

June 7, Westbourne R. M., Man.—$60,000, 6 per cent., 30-instal. debentures. A. M. McGregor, Sec.-Treasurer.

June 1, Alameda, Sask.—$6,500, 8 per cent., 10-year rink debentures. T. R. Truscott, Town Clerk (See announcement on page 16).

June 9, Saltcoats, Sask.—$7,000, 7 per cent., 15-instal. debentures. S. G. Fisher, Town Clerk, Saltcoats. (See announcement on page 16).

June 18, Preston, Ont.—$37,000 debentures. Geo. Wurster, Town Clerk, Preston. (See announcement on page 16).

May 31, Renfrew, Ont.—$34,640, 6½ per cent., 20-instal.; $2,000 5 per cent., 22-install; $5,764, 5 per cent., 30-instal. debentures.

SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from May 7th to May 14th, 1921:

Schools — Kilmory, $3,800; Ernfold, $3,000; Schmidtsburg, $1,000; Blackley, $1,200; Fortune, $5,700; Westview, $3,500.

Village—Earl Grey, $2,000.

Rural Telephones. — Manitou Lake, $4.800; Darwin, $600; South Maymont, $700; Tableland, $1,000.

Rural Municipality.—Nipawin, $3,000.

Cities.—Regina, $20.571; $46,722; $25,000; $22,335; $8,225; $102,000.

The following is a list of debentures reported sold from May 7th to May 14th, 1921:

Rural Telephone.—Hillsborough, $800, 12 years, 8 per cent., Nay & James, Regina.

School Districts.—Irvington, No. 2854, $500, 5 years, 8 per cent., Mrs. M. Gannon, Star City; Halicz., No. 3204, $1500, 10 years, 8 per cent., C. A. Broads, Wynyard.

EDMONTON ISSUE IS OFFERED AT 99

To Yield 7.10 P.C.—No Capital Expenditures For Two Years

The $2,500,000 issue of the city of Edmonton, which has been taken over by Wood, Gundy & Co., is being offered this week at 99 and interest, to yield about 7.10 per cent. The bonds are for twenty years and bear interest at the rate of 7 per cent. The authority granted Wood, Gundy & Co. to sell these bonds extends until July 6, and if at the end of the option period $1,500,000 of the bonds have been sold, the city is required to give a renewal of the option for a similar period of sixty days. It is understood that the price between the city and financial house is still subject to negotiation.

In its agreement with the Toronto firm the city undertakes to make no further capital expenditures, except those that are absolutely unavoidable, for the next two years. This was regarded as a necessary condition in order to maintain a market for the debentures. The city council was influenced to accept the offer of Wood, Gundy & Co. in part by the fact that Edmonton's recent experience with American buyers has not been a happy one, and has naturally created a preference for dealing with Canadian brokers.

The issue is made up of the unsold and unhypothecated debentures issued by the city, and also those remaining from the Portland deal, and is to finance the following: Capital expenditure already incurred, $221,618; capital expenditure necessary for 1921, $831,638; repayment of the remainder of the loan advanced by the bank to redeem the notes falling due in January last, $1,404,596.

INVITE TENDERS FOR CONSTRUCTION WORK

In Connection With Lethbridge Irrigation Project— Sell $2,400,000 Issue

From Our Own Correspondent.

EDMONTON.—Considerable interest is being shown in the Lethbridge Northern irrigation debenture issue, tenders for which have been invited up to May 26. About 100 leading bond dealers in both Canada and the United States, east and west, have been given information about the issue and have been offered the opportunity to bid.

The first block of the total debenture issue, as now being put on the market, is $2,400,000. It will cover the cost of the first year's construction operations, which will be confined to earth work on the irrigation ditches, and the terms finally decided upon are a 6 per cent. interest rate, instead of 7 per cent. as first proposed, the reason being that a better relative price will likely be secured at this rate. The debentures will be dated May 2, 1921, and will be due May 1, 1951. By action of the legislature they will be fully guaranteed, as to principal and payment of both principal and interest, by the provincial Government.

Tenders for the contract on the initial construction have also been invited and will be opened June 1. It is the intention to begin operations as soon as the contract can be awarded, and a good portion of the fifty miles of main ditching will be done this season.

OWEN SOUND PAYS 6.40 FOR MONEY

The city of Owen Sound has sold an issue for $74,714 fifteen-year 6 per cent. local improvement debentures to the National City Co. at 96.61. At this price the city pays about 6.40 per cent. for its money. Some twelve firms tendered on the issue as follows:

National City Co.	96.61
McLeod, Young, Weir & Co.	96.59
Dyment, Anderson & Co.	96.07
C. H. Burgess & Co.	96.03
A. E. Ames & Co.	95.86
Dominion Securities	95.76
T. S. G. Pepler & Co.	95.72
Canadian Debenture Corp.	95.63
Brent, Noxon & Co.	95.41
R. C. Matthews & Co.	95.11
Wood, Gundy & Co.	94.64
United Financial Corp.	94.37

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
May 17.	—Edmonton	Wood, Gundy & Co.	7%	20-yrs.	$2,500,000	99	7.10
May 19.	—Owen Sound	National City Co.	6%	15-yrs.	74,714	96.61	6.40
		GOVERNMENT					
May 23.	—Manitoba	Wood, Gundy & Co., National City Co., E. H. Rollins & Co.	6%	10-yrs.	$2,000,000	99.29	6.075
May 23.	—Manitoba	A. E. Ames, The United Financial Corp., R. C. Matthews & Co.	6%	20-yrs	2,580,000	96.55	6.31
May 25.	—Alberta	Dominion Securities Corp.	6%	15-yrs.	1,000,000	97.59	6.25

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THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
A Canadian Company Investing Its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. W. H. George, Superintendent of Agencies

THE MUTUAL OF CANADA DAY BY DAY
During the year 1920 the average payments in benefits of different kinds to beneficiaries and policyholders amounted to $11,500 FOR EVERY WORKING DAY throughout the year, a total of $3,492,830. Every year the payments have increased, the total made since the establishment of the company being over thirty-three millions. The funds in hand to guarantee future payments amount to forty-two millions—so that the company has either paid or holds in trust more than $75,000,000. This total exceeds the premium income by eight millions. These figures show that the Mutual Life of Canada is making good on all contracts entered into in past years. It is not only "making good," it is "making better" for the profits alone actually paid during the years since establishment amount to eight millions of dollars, a record of economy and service of which any life office might justly be proud.
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA, WATERLOO, ONTARIO
HUME CRONYN, M.P., President - - - CHARLES RUBY, General Manager

A BOND FOR $100
$100 or more invested in a "Canada Permanent" Bond for ONE YEAR will earn interest at FIVE PER CENT. per annum payable half-yearly. A higher rate is paid on longer term investments. Interest begins the day the money is received and the Bond will be made to become due on any date the investor desires.
The Bonds are issued in small sums and for short terms to enable those of moderate means to obtain a high-grade security yielding a fair return and still have their funds available within a reasonable time. Small amounts should not be allowed to remain idle when they can be employed to such good advantage as by investing them in these Bonds.
The Corporation has been issuing these Bonds for nearly half a century. They are a first charge against its assets, which amount to over $33,000,000.
Canada Permanent Mortgage Corporation
Established 1855
14-18 Toronto Street Toronto

5½% Interest Return
INVEST YOUR SAVINGS
In a 5½ DEBENTURE of The Great West Permanent Loan Company
SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
Assets 6,184,420.00
HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

INSURANCE AND REAL ESTATE

THE INTEREST IN GROUP INSURANCE IS NOW EXTENDED

Municipal and Government Officials Consider Plan on Behalf of Employees

IMPORTANT FACTOR

Owing to Unsettled Business Conditions Many Employers Defer Action in This Matter

By J. W. WHITE,
Canada Life Assurance Co.

So much has been written and talked about group insurance since this branch of business was introduced into Canada that business men and employers of labor are quite familiar with its principles and purposes. When the way was cleared for the writing of group insurance in this country in November, 1919, there followed a vigorous campaign amongst all business concerns large enough to be eligible for the group plan. As a result, most employers have been interviewed by group insurance men and nearly every business firm with 50 or more employees has been presented with a group insurance proposition.

Business men who were inclined to be philanthropic in their dealings with employees were amongst the first to welcome this plan of protecting their employees and dependents. Employers who had been carrying on some form of welfare work for employees such as athletics, lunch rooms, rest rooms, educational classes, nursing service, etc., were quick to see the value and the importance of group insurance for their workers. In fact, many employers regard this insurance protection as the first and highest form of welfare work since it provides for the families of the workers and thereby fulfills, to some extent, the obligation that rests upon every bread winner to protect those dependent upon him.

There has been a large volume of group insurance taken in Canada since the first policy was written over a year ago. Employers have taken it for many different reasons. For instance, last year one employer, having about 500 employees, found his company under some obligation to provide for the widow and children left by an employee who left nothing at death for his family. His company wondered how much should be given under the circumstances. The widow was in great need of assistance but, in her pride, hesitated to accept charity from her late husband's employers. The whole situation was so unsatisfactory and troublesome to all concerned that, when the president of the company heard about group insurance, he immediately asked for particulars and his company adopted the group plan for all employees. By this means the dependents of all the employees were provided for; the obligations of the company were limited to the extent of the insurance, and the stigma of charity removed.

Another employer found the employees passing around a hat and taking up a collection for the family of one of their fellow workers who had been killed by an automobile just outside the plant on his way home after closing hours. Realizing that few workers leave any insurance or estate of any kind and that the passing of the hat is an antiquated method, he applied for group insurance in order to put the whole matter on a satisfactory business basis.

A Reward for Good Services

Some employers have taken it as a means of showing their personal interest in those whose labors contribute to the success of the business, and as a reward for good services rendered and an incentive for future co-operation. The employee and his family are thereby made to realize that work and wages are not entirely a cold matter of dollars and cents. The appreciation of the family of the employee is recognized as an important factor in developing loyalty and co-operation.

Other employers have placed group insurance on their employees because they know the value and the need of it. They realize that many employees want life insurance protection but are not insurable and cannot get a policy themselves. They also know that some employees who need insurance do not carry any because they think they cannot afford it. They know that other employees who are husbands and fathers fail to insure because they do not fully realize their responsibilities towards their families. Group insurance places all the employees into the insurable and insured class without examination and without expense to them, and at a very low cost to the employer. Every employee is thereby covered by life insurance as every worker and producer ought to be.

Most employers have, however, taken group insurance to hold their better class of workers and encourage greater interest and co-operation. It has amply proven its value in stabilizing labor. It is an investment that develops team work and gives a continuous and increasing return for a comparatively small outlay.

At the present time, owing to the unsettled conditions and the period of readjustment in values and wages through which business is passing, there are many employers who have deferred the taking of group insurance but who intend to provide this form of protection for their employees as soon as normal conditions of business and employment prevail.

Meanwhile, the group insurance business in Canada is developing steadily along regular lines but more particularly has been claiming the attention and interest of municipal and provincial governments. The cities of Westmount and Calgary have their employees insured under the group plan. One or two other Canadian cities have decided to protect their employees through this means. The provinces of Manitoba and Quebec have also decided to secure group insurance and many other cities and provinces are considering this plan either for the benefit of all their employees or for special departments. Various boards of education are also interested in this plan for protection of their teaching staffs. In these directions, group insurance is extending rapidly.

The experimental stage has long passed by in this branch of life insurance. It has now become an important factor in modern business life. It is likely to go on developing until all industries of any account and the employees of progressive governments are covered.

LIGHTNING RODS AN EFFICIENT PROTECTION

Some Companies Offer Preference in Rates to Rodded Risks.

The manager of a large fire insurance company has stated that his company has not had a building equipped with lightning rods burn as a result of lightning in many years, and as a rule the damage is very small. Further testimony to the utility of lightning rods as preventive and protective agents is offered in an examination of Government records of fire losses. In the current issue of Conservation the situation is discussed and it is pointed out that in 1919 Ontario alone had 1,104 fires caused by lightning, in all classes of buildings, the greater portion of which were farm barns and residences. The monetary loss on farm buildings and contents amounted to $401,711, that on buildings being $248,390 and on contents $153,321. Insurance provided for $223,144, while the farmers in whose property the fires occurred had to stand the loss of $178,567.

It has been clearly established, the report continues, that installation of lightning rods constitutes an efficient protection against lightning fires. The Canadian Fire Underwriters' Association and farmers' mutual fire insurance companies have had the advantages of lightning rods so impressed upon them by actual results that most of them grant a preference in rates to rodded risks.

Unfortunately for the lightning rod industry, some thirty or more years ago many farmers were swindled by unscrupulous agents, and the experience is still remembered in many farm homes, to the disadvantage of representatives of the companies now in the field. It would seem the part of wisdom for an educational campaign to be initiated by the farmers themselves, to impress upon the rural population, in an unbiased manner, the almost absolute protection to their lives and property which can be secured through the installation of an efficient and thoroughly inspected system of lightning rods.

BUILDING IN NEW YORK

Volume Up, Value Down—Building Costs Decline

A report filed by Rudolph P. Miller, Superintendent of Buildings in Manhattan, shows a remarkable increase in the amount of construction for the first four months of 1921 and a still more remarkable decrease in the cost of building. For example, the report shows that during January, February, March and April plans were filed for 257 new buildings costing $27,212,970, as compared with 218 buildings costing $53,354,558 for the same period last year.

NEW CHANNELS OF INVESTMENT FOR MORTGAGE MONEY

Government and Municipal Bonds Are Proving An Attractive Medium

MORTGAGE SITUATION

Less Money for Building Purposes — A Brisk Demand Would Dry Up Supply—The English Market

The real estate mortgage situation has developed complications during the past year, and it would appear to be a fair conclusion that if there were a brisk demand for loans for construction purposes at the present time there would develop a dearth of mortgage money. In the presence of a comparative stagnant condition in building there are evidences of mortgage funds going begging, and an advertisement of a sum of $30,000 ready to lend at 7 per cent. interest did not draw forth any "stop-my-ad" orders from the trust company that was endeavoring—in vain—to discover an outlet for this cash.

Victory Bonds and Moratoria

Trust companies, as a rule, assign two main reasons for a scarcity of money for mortgage investment—one is the long-standing moratorium legislation in the Western provinces. This undoubtedly has discouraged a repetition of past offerings. Another fruitful source of discouragement to those whose natural course would be to lend money on real estate security is the interference on the part of some Western governments with the priority clauses of the mortgage holders: the recognition of liens occupying an "inside track" as compared with the first mortgage claims confused the mortgagee the while he resented what he considered an unwarranted disregard of his inalienable rights.

Fairly Small Margin

Probably the most potent factor in decreasing a surplus supply of mortgage money is the Victory bond as an attractive form of investment. Faith in bonds that has been inculcated the last three years or so is not limited to Government issues, but is extending to municipals, and to some extent to industrials. Bond investment has undermined to a very considerable extent, trust company managers maintain, the "group" that prior to the war had invested almost invariably in mortgages. Now many of them have been "sold" on bonds. This is particularly the case with Government bonds yielding 5¾ to 6 per cent., and municipals of first-class security up to 6¼ even yet.

Farmers' Money Diverted

Investment in bonds, then, is now considered to constitute a permanent factor militating against the former ready flow of money towards land securities. In the province of Quebec, for instance, where mortgages up until very recently were peculiarly attractive, and were covered by trust companies, or by the numerous notaries covering practically every municipality, bond investment has made great strides and the notaries are strong supporters, associating themselves with bond houses. Their influence with the farming community is such that there is a famine in municipal bonds available for purchase, and these investors take their bond purchases so seriously that in the case of an industrial issue so many insisted on having registered bonds that the trust company that had agreed to act for a lump sum lost money on the transaction through the extra cost to themselves of putting through the registrations.

Stress is laid upon the success that attended the Canadian Pacific Railway Co.'s recent financing in London. On inquiry THE FINANCIAL POST learned that, contrary to the general view held, there were no special conditions attending the purchase of the company's debenture stock in England. It is true that the proceeds are to be applied for the settlement of obligations in England, so that the discount on exchange through conversion into Canadian funds does not apply directly. But the company sold its 4 per cent. securities in the ordinary way—through financial houses, and these, in turn, disposed of them to clients. Probably it would be a difficult point to determine to how many other Canadian securities the English investor's favor would extend at this time, but the incident is looked on in trust and loan company circles as indicative of the approach of the time when the English market will be open to offers of their debentures to offset depleted resources available for loans on property.

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Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
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Losses Paid Since Organization - - - $77,000,000.00
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Assets over - - $4,200,000.00
Losses Paid Since Organization, over - $47,000,000.00

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Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
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WILLIAM SMITH
Managing Director

LONDON DEVELOPMENTS

Work On Cranes' New Warehouse to Commence in June

From Our Own Correspondent.

LONDON.—In connection with the announcement in THE FINANCIAL POST recently that Cranes Limited, of Toronto, had purchased property on York Street for a large Western Ontario branch warehouse, word has been received that work on the building will commence early in June. It is also announced that the firm has secured a site in Hamilton, Ont., on Wellington Street near King William on which a similar building is to be erected.

Another deal of considerable local interest is the purchase for Catholic school purposes of property on Queen's Avenue near Colborne. This is in the heart of one of the finest residential districts in the city and it is rumored that this and adjoining property already owned by Catholic institutions is to form the site for a large new Separate high school. In connection with the claims Bishop Fallon has been putting forward for the recognition of Catholic educational rights and his plans already announced for making London the Catholic educational center of the Province, the rumor has aroused much interest.

Letters to the Editor

MUNICIPAL ARREARS

The Editor, "The Financial Post."

Sir,—Your correspondent at Winnipeg appears, in his article in your issue of May 20th, to have been misled by daily newspaper reports of the proceedings at the meeting of the Dominion Mortgage and Investment Association. For instance, in the third paragraph of his article, he says that—

"The twelve municipalities in Alberta and Saskatchewan had a total debt of $4,513,282, of which the arrears amounted to $265,800."

These figures represent the debt involved in the case of municipalities of all provinces of Canada which have been reported as in default by members of the Dominion Association. It is only fair to point out, as did the report presented at the meeting, that a considerable part of this total is applicable to Ontario and Quebec.

Further, the article in question states, in the second paragraph, that—

"Debenture holders face rather large losses in Alberta and Saskatchewan."

This statement is hardly justified by the terms of municipal report. It may be as well to give the exact figures showing the debt involved where no settlement has been made, and in which there is liability to some loss.

Province	Debt	% of Aggregate
Saskatchewan	$3,185,300	91.4%
Alberta	215,000	6.2%
British Columbia..	85,000	2.4%
	$3,485,300	100.0%

From the above it will be noted that elsewhere than in Saskatchewan the liability to loss is not severe. As to British Columbia there are no arrears of interest whatever, and in Alberta, there is an immediate prospect of an adjustment that will be accepted by the debenture holders.

I think it is only fair that the statement made by your Winnipeg correspondent in this regard should be corrected. The press in Winnipeg, which originally published misleading statements as to municipal obligations in default, were asked to correct them, but I have no means of knowing whether that was done or not.

JOHN APPLETON.

COMPANIES ARE CUTTING CAPITAL IN NOVA SCOTIA

Effect of New Legislation Of the Provincial Government

NOVA SCOTIA CLAY ACT

Authorized Capital of $2,000,000 to be Cut Down to $600,000 to Meet New Programme of Taxation

From Our Own Correspondent.

HALIFAX.—The legislation before the house of assembly and upper chamber in Nova Scotia, basing taxation on the amount of authorized capital rather than on the paid up and also increasing the tax on the real amount of the capital, has started the companies in the work of getting their capital down to "hard pan." The first of these to be heard from is the Nova Scotia Clay Works, Ltd., which has an authorized capital of $2,000,000. They propose to cut this down to $600,000. The resolutions which will be introduced at a meeting of the shareholders of the company, called for May 31st are as follows:

> Whereas the company was originally incorporated with a capital of $750,000 and by a special resolution dated April 19, 1921, the capital of the company was increased to $2,000,000 divided into 10,000 preferred shares of $100 each and 10,000 common shares of $100 each.
>
> And whereas out of said capital there has been issued 3,000 preferred shares and 3,000 common shares, making a total of capital issued and paid up of $600,000, and the balance of said shares has not been taken or agreed to be taken by any person.
>
> And whereas it is desirable to reduce the capital of the company by cancellation of such unissued shares and the company is authorized to effect such reduction by its articles of association as originally framed.
>
> Therefore resolved that the capital of the company be reduced from $2,000,000 to $600,000 par value by cancelling 7,000 of the existing preference shares and 7,000 of the existing common shares which have not been taken or agreed to be taken by any person.

The Nova Scotia Clay Works, Ltd., which has plants at a number of points in the province, has been doing a gradually increasing business for some years, but it has paid no dividends on the preferred stock for many years and never on the common.

ATLANTIC FISHERIES WIPES OUT DEBT

A Part of Plant Has Been Operated and Remainder Has Been Rented

From Our Own Correspondent.

HALIFAX.—The annual general meeting of the shareholders of the North Atlantic Fisheries Company, Ltd., was called for May 27th. This company has not been in very active operation for several years, but yet in that period, strange to say, it has been able to wipe out a large floating debt and to liquidate heavy mortgages. This was accomplished by operating a part of the plant and renting another portion of it. It is the expectation that at the annual meeting the directors will make an announcement of a dividend of three per cent. on the preferred stock of $500,000, earnings which have been accumulating since the disappearance of the company's liabilities. It is probable also that a proposal will be made to cancel the common stock of the company amounting to $500,000 and thus economize in view of the new law taxing authorized capital of companies.

The outcome of the North Atlantic Fisheries, Ltd., though it has been a source of great loss to the shareholders, is a matter of some congratulation, for several years ago they owed the bank $60,000 or $70,000. This was liquidated by the sale of a property at Port Hawkesbury, C.B., at heavy loss, but the bank's claim was satisfied. Then, as stated, the company ceased its fishing and fish selling operations, confining itself to cold storage and renting its unused properties. Thus by "lying on their oars," instead of operating actively, they have a property which some day should sell and give the preferred shareholders 50 cents on the dollar and now presents them with three per cent. on their holdings. It has taken more than a year to earn that percentage and there is no guarantee that next year there will be any dividend. There will, however, not likely be any loss.

Production of bicycles in United States increased from 299,000 in 1914 to 470,000 in 1919, according to Census Bureau Survey. Production of motor cycles decreased from 62,000 in 1914 to 59,000 in 1919.

CANADIAN STOCKS

Quotations of listed Securities on Montreal and Toronto Stock Exchanges, with prices at closing on May 24. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active.

Capitalization			Div. Rate	Yield to May 17	COMPANY	Range				Close May 24		Week ending May 24			Sales
Preferred	Common	Bonds and Debentures				1920 High	1920 Low	1921 to May 17 High	1921 to May 17 Low	Ask	Bid	High	Low	Close	
	*	8 107,500	4	10.81	Abitibi Power & Paper com.	87	49½	58	24	36	35½	37½	36	36	655
1,000 000			7	8.04	Abitibi Power & Paper pref	99	85	89	85	88	...	87	86¾	86¾	20
	6 594 300		.....	.....	Amer. Cyanamid com.	36	33	29	...	...	...	...	...	...	...
994 200			6	.....	Amer. Cyanamid pref.	65	62	62	60	...	...	...	...	...	...
	3 500 000	1 473 666	.....	.....	Ames-Holden com.	137¼	10	25	15	...	...	...	...	...	...
2,500 000			7	.....	Ames-Holden pref.	114¾	27	45½	21	...	...	...	...	...	...
	614 660	465 951	.....	.....	Amer. Salesbook com.	7½	5	7	6½	...	...	...	...	...	...
3,073 300			7	9.45	Amer. Salesbook pref.	83¼	70	78	72	75	72½	72¼	72¼	72¼	6
	3 000 000	2 940 000	6+2	9.92	Asbestos Corp. com.	103	64	90	57	60	...	60⅛	58	60	120
4,000 000			7	8.48	Asbestos Corp. pref.	108	83	96	78	81	...	83	80	80	150
	3 500 000	1 345 000	10	.....	Altantic Sugar com.	164	16	35	20¼	30¾	30	51⅛	30	30¼	566
2,500 000			7	.....	Atlantic Sugar pref.	184	24½	34	...	...	...	...	...	...	...
8,483 500	27 450 000	69 314 045	.....	.....	Barcelona Traction	9¼	3¼	5⅞	4	...	...	...	...	...	...
	22 336 300	16 649 000	8	7.65	Bell Telephone	111¼	100	112	99¼	103	102	104	102¾	103	1,062
	4 282 200		6	15.00	B. C. Fishing	66	34¼	46	38	...	...	...	...	...	...
10,000 000	106 566 300	77 192 132	.....	.....	Brazilian Traction com	51¼	28	36	29¼	32⅜	32¼	34⅛	30½	32⅜	9,547
	1,278 700		10	9.52	Burt. F. N. com.	110	88	109	101⅜	112	110	113	110¼	112	100
1,446 500			7	6.73	Burt. F. N. pref.	110	90	108	96½	112	110	110	107	110	76
2,000 000	†	5 913 000	4	10.67	Brompton Paper	85	42¼	57⅛	29¼	36⅛	36	37¾	36	36	1,548
	2 500 000	1 146 872	.....	.....	Canada Bread com.	32½	19	24½	16½	21⅛	20	22	22	22	25
1 250 000			7	8.13	Canada Bread pref.	86½	84	88	85	...	...	...	...	...	...
	4 975 000	7 757 822	.....	.....	Can. Car & Fdry com	74	29	43	30	30	...	30	30	30	60
7,500 000			7	12.28	Can Car & Frdy. pref.	109	67	79	57	57	...	57	57	57	30
	13 500 000	6 346,260	6	11.22	Canada Cement com.	75	54¼	67¾	50½	54¼	53⅜	54¼	53	54	1,005
10 500 000			7	7.86	Canada Cement pref.	100	88½	94	89	89	88	89	88½	89	62
	1 733 500	399 000	7	11.11	Can. Converters	80	51	65	57	70	69¼	70	65	70	230
	2 805 500	9 500 000	.....	.....	Can. Cons Rubber com.	100	87¾	...	...	...	...	...	...	...	...
3 000 000			7	7.77	Can. Cons. Rubber pref.	95	92	90	...	...	...	...	...	...	...
	2 715 500	4 505,105	8	11.42	Can. Cottons com.	100	71	80	68	...	71	72	72	72	125
3 661 500			6	7.89	Can Cottons pref	83	66	77	70	...	75	74	74	74	6
	960 000	173 200	12	.....	Can. Forgings, com.	257	75	...	...	...	...	...	...	...	...
960 000			7	7.60	Can. Forgings, pref.	92	91	...	...	...	...	...	...	...	...
	8 754 400		8	7.24	Can. Gen. Electric com.	109	93¾	117	94	112	111	112	111	111	93
2 000 000			7	7.00	Can. Gen. Electric pref.	104	90	100¼	90	101	99	109	99	99	35
	2 000 000	1 500 000	8	10.66	Can. Locomotive com.	100	80	86	74½	77	...	77	77	77	20
1,500 000			7	8.75	Can. Locomotive pref.	95	80	89	80	...	...	...	...	...	...
80,681 921	260 000 000	271 934 882	10	7.78	Can. Pacific Railway	142	125	141	123½	128	127	129	127	128	84
	1,200 000	356 000	8	10.00	Can Salt	147	85	89	80	...	...	...	...	...	...
	12 000 000	7 979 619	7	.....	Can. Steamships com.	80¼	34	50½	18¾	25½	25	27	25¼	25½	668
12 500 000			7	12.50	Can. Steamships pref.	85	60½	74	38	53½	53	56½	52½	54½	1,766
	1 200 000	128 331	.....	.....	Carriage Fact. com.	49½	7½	20	10	...	...	...	...	...	...
1 200 800			.....	.....	Carriage Fact. pref.	90½	72¼	65¾	65	...	...	...	...	...	...
	565 000		7	10.60	City Dairy com.	62	50	66	55	...	66	66	66	66	1
700 000			7	8.53	City Dairy pref	99	85	82	80	...	80	80	80	80	2
	5 360 700		10	7.29	Consumers Gas	150	125	141	124¾	138	135	138	137	138	17
	6 212 666		6	12.00	Crow's Nest Coal	59⅜	40	55	45	53	...	53	53	53	10
	15 000 000	35 757 500	8	9.52	Detroit United Rly	113¾	79¼	96	72½	83	80	82	81	82	149
	6 500 000		8	10.38	Dominion Bridge	115	69	92	68	...	75½	77	76	76	75
	2 797 000	1 339 800	.....	.....	Dom. Canners com.	66¼	26	45	24	...	...	...	...	...	...
2 290 600			7	9.09	Dom. Canners pref.	90	79	80½	77	78	...	77	77	77	5
3 000 000	15 000 000	5 864 500	7	9.09	Dominion Coal pref.	97½	70	79	63½	...	...	...	...	...	...
	4 250 000	1 683 363	6	10.71	Dominion Glass com	69¼	57	64	50	57½	57	59	57	59	85
2 600 000			7	8.53	Dominion Glass pref	91	82¼	84	77½	...	...	82	82	82	5
5 000 000	25 000 000	13 434 313	7	10.60	Dominion Iron pref.	92	65	76	66	...	...	...	...	...	...
7 000 000	37 100 000	20 450 682	6	16.21	Dominion Steel Corp.	82½	39	49	35¼	35¾	35	37¾	33⅜	33⅞	3,440
	1 000 000		6	7.59	Dom. Telegraph	91¾	80	85	79	79	...	79	79	79	3
	5 000 000	4 767 500	10	7.69	Dom. Textile com.	146½	96½	130	104	136	135	137	129	135	1,273
1 940 600			7	7.00	Dom. Textile pref.	105	89	100	87	...	100⅛	100¼	100¼	100¼	7
1 500 000	3 500 000	3 500 000	4	.....	Duluth Superior	28	12	26	12¾	...	...	...	...	...	...
	2 250 500	900 000	.....	.....	Goodwins com.	35	26	25	25	...	...	...	...	...	...
1 750 000			7	10.29	Goodwins pref.	95	75	70	68¼	...	...	...	...	...	...
	1 000 000	225 000	.....	.....	Holt Renfrew com.	70	62	15	...	...	...	...	...	...	...
1,000,000			7	8.75	Holt Renfrew pref.	85	80	...	...	...	...	...	...	...	...
	4 000,000	800,600	8	9.79	Howard Smith Paper com.	167	74¾	110	78	...	...	...	...	...	...
1,500,000			8	10.00	Howard Smith Paper pref.	107½	91	92¼	77	...	...	80	78	78	112
7,289,500			6	8.57	Illinois Traction pref	70	64	71¼	65	...	...	69	69	69	25
500,000	6,267,005		25c.	.....	International Petroleum	82	20	...	...	...	...	...	...	...	...
	2,198,018	1,902,500	8	8.69	Kaministiquia	97	83½	93	88	...	...	...	...	...	...
	2,800,000	900,000	12	8.68	Lake of the Woods com.	220	130	155	135½	...	...	...	...	...	...
1,500,000			7	6.79	Lake of the Woods pref.	112	93½	103½	94	...	100¼	103	103	103	10
	28,800,000		6	6.45	Laurentide Paper	125	81	95	81	...	90½	92½	90	90	774
1,300,000	1,750,000	934,900	8	11.26	Lyall Construction	99	35	75	47½	70	...	70	67½	67¼	105
2,388,600	3,000,000		.....	.....	Macdonald A. com.	44¼	19	25	15	...	17	18⅛	18½	18¼	100
	41,380,400		6	8.05	Mackay com.	79⅛	67¼	80	69	76	74¼	74¼	74	74½	31
50,000,000			4	6.45	Mackay pref.	74	61	65½	61	62½	61	62	61	61	11
	2,500,000		12	9.23	Maple Leaf Mill com	196	133	146	120	...	130	132	130	130	70
2,930,000			7	7.29	Maple Leaf Mill pref.	104	92	100	93	...	95	96⅛	96	96⅛	14
	1,275,000		4	.....	Monarch Knitting com.	75	60	...	...	...	...	...	...	...	...
750,000			7	8.97	Monarch Knitting pef.	90	85	80	76⅛	80	...	78	78	78	3
	2,949,600		6	7.5	Montreal Cottons com.	87	78	80	70	...	78	79	79	79	5
2,949,600			7	7.25	Montreal Cottons pref.	105	90	98	87	...	97	97	97	97	5
	64,126,100		5	5.88	Montreal L.H. & P. cons.	90	76	86	81	85	84¾	85¼	85	85	271
	2,000,000		8+¼	7.14	Montreal Telegraph	124	110	118	43	...	44	44	43½	44	6
	3,861,070	36,608,153	10	7.01	Montreal Tramways	155	125	142	125	...	...	...	...	...	...
	2,254,300	1,580,000	4		National Breweries com.	70	39¼	56¼	36⅛	54	53⅛	56¾	53¼	54	4,800
2,775,000			7	7.77	National Breweries pref.	97	93	90	...	...	...	...	...	...	...
	2,000,000		.....	.....	Nat. Steel Car com.	12	3	6	3¼	...	...	...	...	...	...
1,500,000			7		Nat. Steel Car pref.	41½	21	28	22	...	...	...	...	...	...
	15,000,000	11,026,931	5	13.33	N. S. Steel & Coal com.	80	33½	44	37	39	36	38	37½	37½	40
1,000,000			8	9.30	N. S. Steel & Coal pref.	107	75	88½	80	...	...	...	...	...	...
	2,500,000	2,350,000	12	6.73	Ogilvie Milling com.	280	175	214	180	...	200	204	204	204	85
2,000,000			7	6.73	Ogilvie Milling pref.	105½	97	104½	99	...	...	...	...	...	...
	750,000	538,200	8	13.33	Ont. Steel Products com.	89	50	70	58	...	...	58	54	54	200
750,000			7	7.95	Ont. Steel Products pref.	89½	89	88	...	...	...	...	...	...	...
	3,500,000	2,825,000	6	8.69	Ottawa L. H. & P.	81	70	72½	68	...	...	...	...	...	...
	650,000		2	6.66	Pacific Burt. com.	42	30¼	36	30	...	...	...	...	...	...
650,000			7	9.21	Pacific Burt. pref.	85	76	81	76	...	...	...	...	...	...
	2,150,600	2,000,000	8	8.33	Penmans Ltd. com.	148½	93	103	95	105	100	102	100¾	101	135
1,075,000			6	7.05	Penmans Ltd. pref.	91½	74	87	78	...	...	85	85	85	1
	749,500		.....	.....	Port Hope Sanitary com.	27	25	...	...	...	...	...	...	...	...
456,000			7	.....	Port Hope Sanitary pre	42	30¼	...	...	...	...	...	...	...	...
	3,000,000	3,787,166	4	8.88	Porto Rico Rlys. com.	50	28½	46	37	...	44	44	44	44	40
1,000,000			7	8.86	Porto Rico Rlys. pref.	79	60	81	64	...	...	...	...	...	...
	42,683,200	4,978,016	3	.....	Price Bros.	385	250	42½	36	38	37½	38	36	38	455
	3,500,000	565,000	6+1	6.38	Provincial Paper com.	132	80½	102	87¾	...	...	...	...	...	...
1,700,000			7	7.95	Provincial Paper pref.	100	85	88½	87¾	...	...	...	...	...	...
	9,999,500	11,045,000	.....	.....	Que. Railway L.H.	36¾	18	29½	22	28	27½	29⅜	27	26¼	5,010
	6,000,000	5,909,400	10	.....	Riordon Paper com.	226	126⅞	160	21⅜	18½	18	23⅜	14½	20	3,300
1,500,000			7	.....	Riordon Paper pref.	101½	83	80	30	...	...	35	35	35	512
	1,500,000	432,000	.....	.....	Rogers Wm. com	71	52	56	50	55	52	50	50	50	2
1,122,800			7	7.77	Rogers Wm. pref.	102	80	94	85	...	...	...	...	...	...
	800,000		7	9.33	Russell Motor com	89	70	...	...	...	...	...	...	...	...
1,200,000			7	14.00	Russell Motor pref.	98	40	65	46	...	...	...	...	...	...
	1,500,000	423,483	.....	.....	Sawyer-Massey com	20	13	19	13	...	...	...	...	...	...
1 500,000			.....	.....	Sawyer-Massey pref.	67¼	35	54	45	35	31	35	30	35	65
	20 000,000	9,353,261	7	6.48	Shawinigan W & P.	119½	97½	109½	102	108¾	108	109	108	108	224
	4 000,000	2,226,006	6	7.05	Sherwin Williams com.	119	75	90	72	...	87	83	83	83	5
3,425,000			7	7.77	Sherwin Williams pref.	100	85¾	95	87	92	...	92	88	92	12
	8,750,000		8	6.66	Shredded Wheat com.	142	130¼	130	120	...	...	...	...	...	...
1,250,000			6	6.12	Shredded Wheat pref.	98	98	...	...	...	...	...	...	...	...
	8,995,500	8,511,166	7	9.58	Spanish River Pulp com.	129	75	89¼	67⅜	73	72	73	71	73	355
8,571,493			7	8.80	Spanish River Pulp pref.	149	82	95	75	...	78	80	79¼	80	802
	11,500,000	8,357,608	7	11.66	Steel of Canada com.	88½	54¾	64	56	59	...	60	59¼	60	373
6,496,300			7	7.73	Steel of Canada pref.	01½	85¾	97	86½	90½	90	90½	89¼	90¼	49
	1,200,000	160,590	6	11.76	St. Lawrence Flour com.	139	59	75½	50	...	51½	...	...	...	...
575,000			7	8.23	St. Lawrence Flour pref.	98½	92	90	85	...	...	...	...	...	...
	7,899,900	47,000	8	8.08	St. Maurice Paper	170	123	120	95	...	...	...	...	...	...
	650,000		.....	.....	Tooke Bros. com.	86	67	57	43	...	...	...	...	...	...
985,000			7	9.33	Tooke Bros. pref.	91	83	78	65	...	...	...	...	...	...
	12,000,000	2,502,306	.....	.....	Toronto Railway	65	35	74	58¾	71	70	71	70¼	70¼	205
	2,500 000		4	8.88	Tuckett Tobacco com	57½	41	52	40	...	...	...	...	...	...
2 000 000			7	8.75	Tuckett Tobacco pref.	93	81¼	88	80	...	...	...	...	...	...
3,000,000	22 000,000	20,213,000	.....	.....	Twin City com.	49	31½	61½	43½	52	51	52	52	52	18
	1,750 000	891 000	4	9.41	Wabasso Cotton	135	48	50	42½	50	45¾	46	42	46	135
	5,000,000	3,302,600	6	8.82	Wayagamack	150¼	71	89	64½	67½	67	69	67	67	615
	2,449,588	1,371,55[illegible]	8	.....	West. Can. Flour	145	105	125	118	...	...	...	...	...	...
507 900	9,324 300	9,755 000	.....	.....	Winnipeg Rly	38	26	48	36	...	40	40½	40	40	155
	1,500,000	600,000	1½	4.13	Windsor Hotel	100	70	145	120	...	...	80	80	80	10
	1,718,600	410,000	8	8.00	Woods Mfg. com.	110	9[illegible]½	...	...	...	...	...	...	...	...
1,546 500			7	9.21	Woods Mfg. pref.	86	78¼	80	76¼	...	...	...	...	...	...

*250,000 shares of no par value. †140,000 shares of no par value.

BANKS

Capital	Reserve	Div. Rate	Yield to May 17	BANKS	Range 1920 High	Range 1920 Low	Range 1921 to May 17 High	Range 1921 to May 17 Low	Close May 24 Ask	Close May 24 Bid	Week Ending May 24 High	Week Ending May 24 Low	Week Ending May 24 Close	Sales
15,000,000	15,000,000	12	6.31	Commerce	199½	173⅛	200	179¾	185	184	185	184	185	34
6,000,000	7,000,000	12	6.11	Dominion	206	190	204	191½	197	196	196	196	196	5
4,998,220	4,849,110	12+½	6.55	Hamilton	194	168	185	169¼	180	78	181	179	179	18
4,000,000	4,000,000	10	6.55	Hochelaga	158½	151	156	151	...	...	...	...	...	...
7,000,000	7,500 000	12+1	6.48	Imperial	200	184	191	183½	184	182½	185	184	184	46
10,029,622	8,400,000	12+1	6.89	Merchants	203	158	182	167½	...	173	175½	174	175	63
4,000,000	5,000,000	12	6 81	Molsons	194	169	180	168½	178	175	177	176	176	31
22,000,000	22,000,000	12	5.79	Montreal	220½	185	212	195½	...	205	207	205	205	27
2,000,000	2,300,000	12	6.77	Nationale	174	162¾	180	165	...	...	...	...	...	...
9,700,000	18,000,000	16	6.29	Nova Scotia	273	243	265	249	255	254	254½	254	254½	16
20,134,010	20,134,010	12	5.85	Royal	233½	189½	208	193½	205	203	203½	202	202	38
3,802,001	4,800,000	14	7.00	Standard	222	200	205	198	...	201	202	201	202	35
5,000,000	6,000,000	12	6.74	Toronto	197	179	192	177	179	177	178	178	178	5
8,000,000	6,000,000	10	6 53	Union	161	139	160½	146	152	150	151½	151	151½	35

LOAN, TRUST AND INSURANCE

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale	LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale
Canada Landed	10	10	150½	110	...	135	135	Montreal Loan	12	....	165	155		165	155
Canada Permanent	10	12	178	157	178	174	177	National Trust	11	12	230	198	200	195	200
Central Canada	1[illegible]		..	...	...	...	...	Ontario Loan	10	10	160	155	167	157	157
Col. Investment, pref.	6	6	82	67	75	...	75½	Real Estate Loan	7	7	95	92	...	...	92
Dominion Savings	5	[illegible]	72	72	75	70	70								
Great West Per.	5	..	...	...	140	...	89½	Toronto General Trusts	10+1	12	211	196½	...	197½	198½
Hamilton Provident	5	9	1[illegible]	145	...	140	140	Toronto Mortgage	9	9	135	129½	...	132	133
Huron & Erie	[illegible]+1	[illegible]+¾	11[illegible]½	[illegible]0	114	...	112½	Toronto Savings	12+2	12	.....	...	...	...	185
Landed Banking			[illegible]	141	...	137	137	Union Trust	7		...	...	100	...	100
London and Canadian		9	126	1[illegible]0	118	116	115½	Confederation Life	20		310	300	...	...	...

Investment Service

The Bond Department of this Bank is in a position to obtain accurate and invaluable information regarding any Canadian or Foreign Securities in which you may contemplate investing.

At all times we deal in Government and Municipal Bonds.

345

IMPERIAL BANK
OF CANADA
216 BRANCHES IN CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches.

IRELAND — Bank of Ireland, Dublin and Branches. Agents in FRANCE: Credit Lyonnais, Lloyds and National Provincial Foreign Bank Limited.

WINNIPEG WAREHOUSE PROPERTY FOR SALE or FOR RENT

Trustees' sale of valuable down-town warehouse properties in the City of Winnipeg:

PARCEL 1.—Warehouse and property located at 185-187 Market Street East; 99 ft. x 99.2 ft.; highly modern, five-storey warehouse of stone and solid brick mill construction; 60,000 square feet, unexcelled business location, with trackage at rear. Possession given 1st July, 1921, or earlier.

Price and Terms on Application.

PARCEL 2.—100 ft. x 100 ft., valuable vacant wholesale site, being lots 11 and 12 St. John plan 45, known as 170 and 172 James Street; ideal trackage facilities at rear and immediately behind parcel 1; splendid location in the heart of the city. Price per foot, $500.00.

For further particulars apply to

THE STANDARD TRUSTS COMPANY
WINNIPEG, MANITOBA

Are your returns from Advertising what they should be?

Have you attempted to get in touch with the Public by direct advertising through the mails?
Why not try the most effective way?
Compare the cost and the results.

We have the most up-to-date Mailing Lists on the market.

You need no extra office staff, your printing, addressing and mailing handled at a very small cost.
Think this over and get in touch with

PROCTOR & PROCTOR
AURORA ONTARIO

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give

FINANCIAL ASSISTANCE

to Estates being administered by it

PAID-UP CAPITAL AND RESERVE..........................$1,172,000

The Imperial Canadian Trust Co.

EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.

HEAD OFFICE: WINNIPEG
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY
VANCOUVER AND VICTORIA

Sales Course

A NEW PROFESSION

Men of character and ambition can find satisfaction only in a business or profession that will make their life work really worth while and, at the same time, offer opportunities for quick financial success.

The Life Insurance field points the way.

The work, the opportunities, and the financial rewards are most attractive. But, first of all, if you have any preconceived ideas about the business of life insurance, we ask you to set them aside and look at the work from the present position it has attained through new and scientific methods such as those adopted by the Canada Life.

Would you like to be in a business that will give you

A GOOD LIVING

A PROFITABLE FUTURE

A PROVISION FOR OLD AGE

We teach a man the Insurance Business, which offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "the best paid hard work in the world."

This is done by a correspondence course and personal assistance, free of charge.

When he is fully prepared for the work, we place him in a position and help him to make good.

The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay men who desire to get on in the world to look into this.

All correspondence strictly confidential.

CANADA LIFE ASSURANCE COMPANY
Head Office - TORONTO

IMPERIAL BANK OF CANADA

The Forty-Sixth Annual General Meeting of the Imperial Bank of Canada Was Held in Pursuance of the Terms of the Charter at the Head Office in Toronto, on Wednesday, 25th May, 1921, at 12 Noon.

THE REPORT

The Directors have pleasure in presenting to the Shareholders the Forty-sixth Annual Report and Balance Sheet of the affairs of the Bank as on 30th April, 1921, together with Statement of Profit and Loss Account, showing the result of the operations for the year.

The balance at credit of Profit and Loss Account brought forward from last year was	$1,062,278.04
Net profits for the year, after deducting charges of management, auditors' fees and interest due depositors, and after making provision for bad and doubtful debts and for rebate on bills under discount, amounted to	1,287,061.56
Making a total at credit of Profit and Loss Account	$2,349,339.60

This amount has been appropriated as follows:

Dividends at the rate of 12% per annum	$ 840,000.00
Special bonus of 1% for the year	70,000.00
Annual contribution to Officers' Pension and Guarantee Funds	42,500.00
Special contribution to Pension Fund	100,000.00
Dominion Government Taxes	125,000.00
Balance of Account carried forward	1,171,839.60
	$2,349,339.60

During the year Branches of the Bank have been opened at the following points:—

IN ALBERTA—Big Valley, Dorenlee, Edberg, Leslieville.

IN BRITISH COLUMBIA—Athalmer.

IN MANITOBA—Poplar Point, St. Vital.

IN ONTARIO—Toronto: College and Shaw Streets, Runnymede and Annette Streets; Chute a Blondeau, Connaught Station, Englehart, Gormley, Hilton, Kapuskasing, Kettleby, Monteith, Porquis Junction, Union, Virgil.

IN SASKATCHEWAN—Carlton, Carmichael, Primate, Tompkins.

The following branches have been closed:—

IN ALBERTA—Bear Lake, Cherhill, Greencourt, Griffin Creek, Gwynne, Westlock.

IN SASKATCHEWAN—Edgeley.

IN ONTARIO—Simpson Street, Fort William; Marshville, Verschoyle.

It is with deep regret that your Directors have to record the death during the year of Sir William Gage, who had been a valued member of the Board since 1910. The vacancy has been filled by the appointment of Mr. George C. Heintzman of Toronto, who has been a shareholder for many years past.

The Head Office and Branches of the Bank, now numbering 218, have in accordance with the usual custom been carefully inspected during the year.

The auditors appointed by you have also made their examinations as required by law, and their report and certificate is appended to the Balance sheet.

The Directors have pleasure in again testifying to the satisfactory manner in which the officers of the Bank have performed their respective duties.

All of which is respectfully submitted.

PELEG HOWLAND,
President.

LIABILITIES.

Notes of the Bank in circulation		$ 12,470,991.00
Deposits not bearing interest	$17,327,386.06	
Deposits bearing interest, including interest accrued to date of Statement	81,797,624.95	
		99,125,011.01
Balances due to other Banks in Canada	$ 586,102.68	
Due to Banks and Banking Correspondents in the United Kingdom.	15,381.49	
Deposits by and Balances due to Banks elsewhere than in Canada and the United Kingdom	129,570.54	
Acceptances under Letters of Credit (as per contra)	97,716.00	
		828,770.71
Total Liabilities to the public		$112,424,772.72
Capital Stock paid in		7,000,000.00
Reserve Fund Account	$ 7,500,000.00	
Dividend No. 123 (payable 1st May, 1921), for three months, at the rate of 12% per annum	210,000.00	
Bonus of 1% for the year, payable May 1st, 1921	70,000.00	
Balance of Profit and Loss Account carried forward	1,171,839.60	
		8,951,839.60
		$128,376,612.32

ASSETS.

Current Coin held by the Bank	$ 1,753,129.01	
Dominion Government Notes	10,870,316.25	
		$ 12,623,445.26
Deposit in the Central Gold Reserves		7,002,533.32
Deposit with the Minister for the purposes of the Circulation Fund		384,409.15
Notes of other Banks		980,839.00
Cheques on other Banks		5,739,507.68
Balances due by other Banks in Canada		379,145.43
Due from Banks and Banking Correspondents in the United Kingdom		455,701.83
Due from Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		3,039,268.60
		$ 30,604,850.27
Dominion and Provincial Government Securities, not exceeding market value	$ 6,091,724.70	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian	8,106,218.90	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	409,179.83	
		14,607,123.43
Loans to Provincial Governments	$ 942,000.00	
Loans to Cities, Towns, Municipalities and School Districts	8,826,626.64	
Call and Short Loans (not exceeding thirty days) in Canada on Bonds, Debentures and Stocks	3,721,713.54	
		13,490,340.18
		$ 58,702,313.88
Other Current Loans and Discounts in Canada (less rebate of interest)		61,957,400.66
Liabilities of Customers under Letters of Credit (as per contra)		97,716.00
Overdue Debts (estimated loss provided for)		717,675.38
Real Estate other than Bank Premises		502,626.68
Mortgages on Real Estate sold by the Bank		410,276.98
Bank Premises, at not more than cost, less amounts written off		5,385,904.56
Other Assets not included in the foregoing		602,698.18
		$128,376,612.32

PELEG HOWLAND,
President.

W. MOFFAT,
General Manager.

AUDITORS' REPORT TO SHAREHOLDERS.

We have compared the above Balance Sheet with the Books and Accounts at the Chief Office of Imperial Bank of Canada, and with the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on thirtieth April, 1921, we certify that in our opinion such Balance Sheet exhibits a true and correct view of the Bank's affairs according to the best of our information, the explanations given to us and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and securities at the Chief Office and certain of the principal Branches were checked and verified by us during the year and found to be in accord with the books of the Bank.

All information and explanations required have been given to us, and all transactions of the Bank which have come under our notice have in our opinion been within the powers of the Bank.

G. T. CLARKSON, F.C.A.,
R. J. DILWORTH, F.C.A.,
Of Clarkson, Gordon & Dilworth

The customary motions were made and carried unanimously.

Mr. G. T. Clarkson, F.C.A., Toronto, and Mr. R. J. Dilworth, F.C.A., Toronto, were appointed Auditors of the Bank for the ensuing year.

The Scrutineers appointed at the meeting reported the following shareholders duly elected Directors for the ensuing year:—Peleg Howland, Wm. Hamilton Merritt, M.D., Sir James Aikins, K.C., John Northway, J. F. Michie, Sir James Woods, E. Hay, Frank A. Rolph, R. S. Waldie, George C. Heintzman.

At a subsequent meeting of the Directors Mr. Peleg Howland was re-elected President and Dr. W. Hamilton Merritt Vice-President for the ensuing year.

PELEG HOWLAND,
President.

W. MOFFAT.
General Manager.

THE PRESIDENT'S ADDRESS

In rising to move the adoption of the Report, the President said in part:

In moving the adoption of the Report which you have just heard, I may say that I do so with much satisfaction, which is shared by my fellow-directors and which I hope will be felt by yourselves. While the profits are less than they were for the previous year, they have been obtained with necessarily increased expense and under—particularly during the past four months—adverse business conditions, which have caused a shrinkage in the number of transactions from the multiplicity of which Banks draw a considerable portion of their profits, in addition to which, through the reduction in non-interest-bearing deposits and a very gratifying increase in our savings, our money has cost us more.

As you will see, we have been able to pay the usual dividend and a one per cent. bonus, provide the regular contributions to the Guarantee and Pension Funds, make the special contribution to the latter fund, authorized by you last year, and carry forward an increased Profit and Loss balance, it being our policy to continue to keep this large during these times.

We are hopeful of results for the current year, though it is only prudent to anticipate increased difficulties.

I have read with care the reports which our Branch Managers send in on or about the first of May. They are, generally speaking, optimistic of the future and indicate considerable progress towards a lower and sounder basis of business.

Agricultural Outlook Promising

In the East, where most of the manufacturing industries are located, there is, of course, a much larger number of unemployed, though, strange as it may appear, farm labor is reported as more easily obtainable and at more reasonable rates in the West than it is in this Province. While seeding is late, the conditions in the West are more favorable than last year, and while I would gather that the total acreage of grain will not be greater, there will be a larger area sown to wheat and the crop will go in at a less cost and with better cultivation than last yead. There will be cheaper feed and greater inducement to raise cattle and hogs, unless the adverse United States legislation cuts out our market. There is a good deal of wheat still in the farmers' hands, which was held for higher prices, and which it is to be regretted was not sold when harvested.

Industries are depressed and working part time, with a few exceptions. Gold mining, for instance, in Northern Ontario is favored by conditions, and there are indications of some revival in leather and boots and shoes. Industrial wages are still very high, though there have been reductions in some cases, and efforts are being made to bring about more, but they are being resisted by the workmen.

Wages and Freight Rates

With high wages, heavy taxation and part time working, goods cannot be produced cheaply in our factories, nor with high freight rates and other costs can they be distributed cheaply by either wholesaler or retailer.

The prices of farm and field products are low, in some cases down to pre-war levels. Of course, we have a great variety of natural products besides grain and livestock—fruits, roots, tobacco, furs, fish, wood and minerals, all help to our employment, but depend also to a degree on a foreign market, which largely regulates prices.

If the prices of all these things are out of balance, as they are to-day, with those of the goods which have to be purchased with the proceeds of them, how can our Merchants and Manufacturers hope for more than a moderate business? How long will these conditions last? I wish I knew; I fear the time will be long. That they will adjust themselves I have no doubt; in my opinion (and I give it for whatever it may be worth) in the process we will have short periods of revival followed again by slumps (humps and hollows of trade as it were) and probably not in all lines of business at the same time.

Influence of European Conditions

One of the greatest aids to a permanent improvement would be a fully employed peaceful Europe, British as well as Continental. Let us hope that this happy condition will come about soon and that we will find there a ready market for our surplus products, giving in return a ready market for what of theirs we can profitably consume. Would that Governments would not retard this end by restrictions to the free and natural movements of trade, which they all seem now so prone to impose.

The problem of the unemployed with us is a serious one, the percentage being very large indeed and not likely to grow less in the immediate future; that means will be found, in this land teeming with food, to provide for the deserving who may be in want I am sure, but the numbers of those to be sustained should not be added to by undesirable immigration. None should be permitted to enter who are not capable of, and have not an immediate prospect of producing their own sustenance, and have not the means on hand to maintain themselves meanwhile.

The decision not to resume the Business Profits War Tax was very welcome. Business hampered in so many ways needs no brake just now, and on its volume a very large proportion of the revenue of the country depends. It seems, therefore, a pity that the tax on the incomes of businesses could not have been abolished. It is payable, irrespective of any return on invested capital, and has the same tendency to undermine the integrity of the business community as the Profits Tax, and its collection is subject to the same objectionable inquisitorial methods.

I would venture, too, to urge the utmost care in public and private expenditure, particularly that of a capital nature. We will come out better in the long run if nothing of this kind is spent that will not help towards production and bring in a quick return.

Cautious Optimism

It is a time, I would say, for cautious optimism, if the term may be used.

Gradually matters will adjust themselves and when they do there will come to us an era of prosperity such as we have never seen and in the benefits from which this Bank must participate.

I am sure you will all share in the deep feeling of regret caused by the death of Sir William Gage. He was a notable citizen and a valuable director. His place has been filled by the appointment of Mr. Geo. C. Heintzman, whose business ability, I am satisfied, will be of much benefit to the Bank. He has long been connected with the institution as a valued customer and as a shareholder.

I would like again to bear testimony to the zeal and devotion of the Management and Staff.

I beg to move the adoption of the Report.

THE GENERAL MANAGER'S ADDRESS

The General Manager said in part:

There is a striking contrast between trade conditions to-day and those of a year ago. When we met last spring business was still brisk and superficially appeared destined to continue at a high level for some months, although now that we are able to look back, it is evident that the turn came last spring and not in September or October last, as on the surface appeared to be the case. In other words, manufacturers and merchants operated for several months on back orders. Notwithstanding this condition, we trust that the report which we are presenting to the shareholders will be considered satisfactory.

Deposits

When we consider that our Government deposits have been reduced approximately $7,000,000 during the year, we feel well satisfied with the results in this department of the Bank's business—our total deposits as at April 30th, 1921, amounted to $99,125,011, as compared to $97,784,217 in April, 1920, an increase of $1,340,794. Deposits of all Chartered Banks for the eleven months ended March 31st (the latest figures available), show a decrease of $128,930,722.

Large Gain in Savings Deposits

It will not be safe to count on an increase in deposits during the coming year, at least not in deposits payable on demand. Business is slowing up and all Banks have been experiencing a steady decline in their demand deposits. On the other hand, notice or interest bearing deposits so far continue to show a satisfactory gain, notwithstanding the large number of wage-earners out of employment during the past winter. The net increase in savings deposits of this Bank for the year ended April 30th, 1921, amounted to $9,120,945, or 12 per cent.

There are two subdivisions in the financial statement of a Chartered Bank, which, in the main, reflect the relationship of the institution to the public; the one, savings deposits, which in a measure indicate the confidence of the public, the other, commercial loans, which represent the assistance given by the Bank to the business of the country. The increase in the former speaks for itself. We shall come to Commercial Loans later.

Circulation during the year showed a substantial increase, although not so large as recorded last year, due no doubt to a general decline in business during the latter part of the year and to the increase in the purchasing power of the dollar. The maximum figure reached during the year was $14,819,910 on 3rd July, 1920, but, as pointed out on previous occasions, owing to the requirements of the Bank Act regarding deposits with the Gold Reserve or payment of interest on the excess circulation this expanded note issue has been of less benefit to the Bank than the figures would indicate.

Our total obligations to the public stand at $112,424,772, practically the same figures as a year ago.

Strong Cash Position

Turning to the other side of the balance sheet you will note our assets total $128,376,612, as compared with $128,274,168 a year ago. As an indication of the growth of the Imperial Bank of Canada since it inception we are including in the report a sheet confined to a comparative statement of Deposits, Loans, Assets, etc., which I am sure you will find interesting and regard as being most encouraging. It will show that our growth has been steady and satisfactory. Notwithstanding our continued strong reserves throughout the year, the balance sheet under review shows legal tender notes, specie, deposit in the Central Gold Reserve, Call Loans and balances due from other Banks totalling 30 per cent. of our liabilities to the public—a creditable showing—and if our second reserves, consisting of bonds, securities, etc., are added to the above figures our reserves are shown to be 52 per cent.

Profits Satisfactory.

The profits for the year, we consider, leave no room for criticism and have been computed after a thorough examination of the assets of the Bank by our own officers and by the auditors appointed by the shareholders and after making what we believe to be allowances for depreciation, possible loss and contingencies. I must confess that, with the curtailment of business and increase in cost of operations, I am afraid that the Banks are going to find it harder in the future to keep their earnings at the satisfactory figures shown during the inflated period of the past two or three years. In a business such as carried on by this Bank, especially in times like the present, when values of all commodities are falling and when, no matter how careful we may be and how well secured our advances may appear to be, there are always possible shrinkages and losses to be met, I am sure you will agree that the year we are entering is likely to be at least difficult, but we are looking forward with confidence knowing that we have taken every possible precaution to protect your interests. Our efforts will, for the present, be directed to consolidating and improving the business which we now possess rather than reaching out for new fields in Canada or elsewhere.

Increased Loans to Farmers

This department of the Bank's business shows a healthy expansion. A very considerable percentage of the increase has been in advances to grain-growers and dealers, mixed farmers and cattle men. In some districts in the West, where crops have been light, there have been "carryovers," but on the whole advances to agriculturists, although more troublesome, are, when carefully watched, amongst the safest loans in the Bank. It is true they require to be watched, as a number of farmers, like their neighbors in the towns and cities, are over-optimistic and attempt to handle more than their capital warrants and in the spring base their borrowings on a twenty-five bushel yield per acre, only to find that their crop when threshed measures ten or less. These accounts, however, are in the minority, and while a certain percentage fail to clean up yearly they are, as a rule, on a well secured basis and are ultimately collected. Our Premises Account is still growing, a considerable portion of the increase being due to the erection of a number of smaller buildings at points where it was necessary to properly house our growing business, the only exceptions being a very fine building at Windsor, which we consider a credit to the Bank and to the city in which it has been erected, and the building occupied by our Hastings and Abbott streets office in Vancouver, which we heretofore occupied as tenants. While prices of building have been very much in excess of normal, we believe that we have received value for our expenditure.

Our Shareholders have increased during the year from 2,055 as on April 30th 1920, to 2,115 as on date of this report, or an average holding of 33 shares. We are always pleased to welcome new shareholders as well as new customers and we trust that during the coming year we may have the pleasure of recording a further addition. As I stated last year, the Bank belongs to its shareholders and we trust that each will do what he can to build up the business of his own institution.

There has not been the same activity in the opening of new branches by the Canadian Banks during the past twelve months as during the two preceding years, due largely, I think, to the fear of business depression, but also on account of high operating expenses. While we, ourselves, have opened eighteen offices and closed seven during the fiscal year ended April 30th, 1921, we opened only at points where we saw a reasonable prospect of developing successful branches or as a protection to established offices. For the present we wish to consolidate our position rather than extend.

Our staff now numbers 1,345, of whom 413 are young ladies. All are entitled to your thanks for their work and loyalty. We are most anxious to build up the "esprit de corps" of the staff and believe we have succeeded.

I would like to stop here, as the President has fully covered the ground, but in view of existing conditions possibly something more may be expected from me at this time.

Lightening the Public Debt.

Through our huge war expenses Canada finds itself burdened with a debt which for a country of less than nine million people would, in times past, have been considered unbearable. The Finance Minister's efforts are of necessity directed to the increase of revenue to meet this condition of affairs. I think most of us would like to see an effort made to lighten his burden by a drastic reduction in expenditure. There are probably only two ways in which this burden of debt can be lightened:

1. Increasing by immigration of desirable settlers the numbers carrying burden.

2. Reduction of the burden by Government economies as will enab to reduce our debt to a more reason figure.

Both will require time to show sults, but if the two factors work gether the time required for Canada get back to normal will be apprecia shortened. Immigrants with mea however, will not be attracted to a co try burdened with debt and debts ca not be paid by inflation of currency by Government or Municipal borrowi and expenditure. Our position can on be better by either cutting down Gove ment expenses or by increasing the nu ber of taxpawers or by a combinati of both. Also, we must work and wor hard in order to produce not only foo and clothing for ourselves but also be in a position to sell to other nations at a profit in order to provide necessaries which cannot be grown or manufactured at home.

Cost of Living

To accomplish this, the price of go must be made attractive to the pu chaser, or in other words, we must the price of goods and the cost of ing down to a more normal level. may mean lower pay for all worke still if the margin over the cost of liv is the same or better, such a situat should be welcomed by all. Canada slowly getting back to a pre-war b but Government expenditure is still high, but as we all know the proces deflation is far from pleasant and will have to be patient. If we are, should not take many years to bri about a better state of affairs. Eac one of us must make his or her sacrifi if necessary, in order that the busines of the country may once more reach solid basis and that we may attain th economic position which will be ours we do our part faithfully and well.

The Banks and Industry

There have been some criticism directed against the methods pursu by the Canadian Banks in their han ling of the financial affairs of the cou try during the past trying period, an some of them due largely to staff diff culties, particularly while the war w on, may have a basis of truth, but upo the whole I think few human instit tions have more cause for self-con gratulation than the Canadian Bank I can, of course, only speak intimat regarding the Imperial Bank, but I ha no doubt others can repeat the sam story. If you consider the situat carefully you will see that a Bank's sistance starts at the beginning of e enterprise—farmers obtain advance prepare their soil, to buy seed, to pla reap, thresh, and market their gra The Banks also help manufacture purchase raw material, convert it salable goods, and to market the fi product—so on all through all line business. The Banks of the cou may, therefore, be looked upon as ess tial partners in the development of Dominion and we hope to see the Im perial Bank doing its part in the futu as it has in the past, knowing that o welfare depends upon the success of our customers, be they farmers, manuf turers, merchants or wage earners.

BY-LAW No. 41
Town of Alameda,
Province of Saskatchewa

DEBENTURES FOR SALE

TENDERS will be received by the un dersigned up to June 1st, 1921, for t purchase of the Debentures of the to of Alameda, Province of Saskatchew for ($6,500.00) six thousand five hundr dollars, for the purpose of building rink, payable in equal annual payme of principal and interest for (10) t years. Interest computed at the rate (8) eight per cent. per annum. Denom inations to suit purchaser.

No tender necessarily accepted.

T. H. TRUSCOTT,
Town Clerk,
Alameda, Saskatche

DEBENTURES FOR SAL
Town of
Saltcoats, Saskatchewa

TENDERS will be received up o'clock p.m. of Thursday, June 1921, for the purchase of $7,000.00 debentures for cement sidewalks. bentures payable in 15 annual ins ments of principal and interest. town has never defaulted in a debentu payment.

No tender necessarily accepted.

S. G. FISHER,
Town Clerk.

NOTICE

TENDERS will be received by the un dersigned up to 12 o'clock noon of the eighteenth day of June, 1921, fo the purchase of $37,000 Town of Presto Ont., Debentures.

Particulars on application.

The highest or any tender not nec sarily accepted.

Dated at Preston, Ont., this 23rd of May, 1921.

GEO. WURSTER,
Town Clerk and Treas

Loan and Trust Review and Outlook

THE FINANCIAL POST

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WINNIPEG CONVENTION OF THE MORTGAGE COMPANIES DEALT WITH MANY BIG PROBLEMS

Loaning Organizations of East and West Were Represented by Many Delegates

RURAL CREDITS PROMINENT

Considerable Discussion of the New Movement Which Has Gained Some Headway in the West—Information Given About Results in the U. S.

By J. H. HODGINS.

WINNIPEG.—By holding their 1921 convention in Winnipeg the members of the Canada Mortgage Loan Association carried their propaganda to the very centre of the farm loan and rural credit movement. It was natural therefore that much of the discussion should have revolved around the pertinent topic, because the mortgage loan enterprises have been finding the Western governments more or less aggressive competitors.

Premier Norris, for Manitoba told the mortgage convention that "at no time was a better understanding needed than at the present time" but possibly more to the point was the assurance of Hon. C. R. Mitchell for Alberta that the legislation in the prairie provinces of which they had complained had not been passed for "the pleasure of being mean" but because of circumstances which it had been considered made it necessary. So far as the much debated priority liens for seed grain were concerned Alberta's Provincial Treasurer told the convention that "they could take it from him as an absolute fact that the policy of the present administration of Alberta was that there would be no further priority to seed grain loans no matter what the circumstances might be."

Big Loss in United States

Following the Manitoba Legislature's recent decision to increase its rate upon rural credits from 6 per cent. to 7 per cent., coupled at the same time with the legislature's grant of $26,000 for maintenance and operation of the societies, the presentation of the American viewpoint came at an appropriate moment. E. D. Chassell Chicago, secretary of the Farm Mortgage Bankers' Association condemned the rural credit and federal land bank system of the United States, and appealed for fair play for the private loaning institutions which he maintained were being grossly discriminated against at the present time, though various government enactments.

Mr. Chassell stated that the rural credit and federal land bank system of the United States resulted last year in a loss to the national treasury of $5,000,000. He emphasized that the system amounted to a privilege for a favored few and that it had been manipulated for political purposes.

In contemplating legislation like the creation of a rural credit system he argued that the general prosperity of the country should have first consideration. Sympathy might be extended to individuals interested in establishing business or commercial institutions but they ought not to stand in the way of progress. "If loan companies cannot so well serve the public as the government-supervised corporations they should be cast aside and go the way of the stage coach or the ox cart, but on the other hand," argued Mr. Chassells, "when a test is made of the comparative merits of the two systems, competition should be fair. The field should be open and no favors shown so that the one which gives the best and most economical service may survive.

Fair Competition Welcomed

"The farm mortgage bankers of the United States welcome fair competition from federal land banks or any other competitors. But they object to being compelled to pay their own expenses out of their private pockets while the expenses of the federal land banks are paid from the public treasury. They object to tax exemption discrimination made in favor of investors in the federal land banks' securities. They object to having money displayed as profits in the show windows of the federal land banks when these 'profits' are not honestly earned, but have been legally abstracted from the coffers of the national government by means of a pipe line in the form of tax exemption.

"Our farm mortgage bankers contend that it would be more beneficial to the farmers and cheaper for the national government to subsidize borrowing farmers direct, rather than to incur the expense of maintaining the rural credit system now in operation."

While the convention was in session the Manitoba Free Press expressed the opinion with regard tothe various "rural credit" measures which are in operation in this province that "the visitors will find that the officials of the government are ready to afford all information and that they will also find that the majority of the people of this province recognize the value of the work which existing financial institutions of the Dominion have done, and that they desire nothing new which is not in the general public interest."

A. E. Parker, Winnipeg, spoke to the assembly on Rural Credits in Western Canada," in the course of his talk declaring that "one of the weaknesses of the present Canadian banking system is that it was established to meet commercial conditions and does not provide for agricultural needs and emergencies." Speaking for the rural credits he said one of the legitimate functions of the scheme was to enable the farmer to put in and take off his season's crop but in order to warrant this assistance he maintained that a farmer should be in a position, that, with a normal crop the returns

Continued on page 20.

Practical Objections to Farm Credits Schemes

By A. B. BARKER.

THE main difficulty in connection with working of the proposed Farm Credits Bill both in Ontario and the West is in regard to the terms of the advances, not to the security offered. If the schemes are to be successful there must be a complete divorce between land purchase loans and produce and cattle business. One is necessarily a long term advance secured on fixed assets, while the other should only contemplate advances to enable the borrower to market either crop or cattle. The funds for one must come from moneys obtained on definite terms for long time investment, while the other can fairly be supplied from bank funds. No attempt to provide the former from funds payable either on demand or, short date has ever failed to cause trouble. It is not a question of security. The assignats of the French Revolution at first had behind them ample security in the shape of the land held by the nation, but because they were not readily convertible they went to a heavy discount almost at once, and were one great cause of the financial difficulties in that country at the time.

In Europe where the farm loan banks in normal times produced such wonderful results, the two classes of business are kept entirely separate, each class being handled by an organization for the particular purpose of that class. Loans in connection with crops or cattle, the operating end of farming, are made to members of local associations for the express purpose of enabling the member to handle either in the usual course of his farm business, and with a definite date of payment set when it is expected the operation will be concluded. The funds are obtained by the organization as a whole and it is responsible. All loans are investigated by the committee of organization, and as the committee are intimately acquainted with the means and ability of the member applicant, they are in a position to judge whether the transaction is such that they will advance funds borrowed by them to carry it out.

Loans for land purchase are in same instances arranged by the committee which makes the loan, authorizing an issue of debentures, as a general obligation of the organization. The loan would not be made direct to the member in cash, but in debentures to the amount of the loan, and these the borrower can dispose of on the market like any other debenture. The association will pay the interest to the lender and any principal as it falls due, collecting from its member to whom the loan was made. In case of any delay in payment it is not then an outside creditor pressing a single debtor. He does not deal with the individual but with the organization whose obligation he holds, and it in turn arranges with its member who must account to his neighbors—his fellow members.

The experience of the banks in North Dakota makes it quite clear that these loans for farming operations, as distinct from land purchase loans, are to be paid from the sale of the grain or the cattle within a reasonable time, and not carried indefinitely at the will of the borrower. In that State the banks made advances against grain and cattle, but, at maturity, prices had fallen and the borrowers refused to sell and take their losses. Owing to the present laws in that State they could not be promptly dealt with and forced to liquidate. The result was that the banks could not pay their depositors, who in most cases were the friends and neighbors of the borrowers. A bank is a trader in credit and like other traders must keep its stock in trade moving.

THE RIGHT TO MAKE WILLS HAS BEEN WON FOR THE PEOPLE BY CENTURIES OF STRUGGLE

Modern Statutes Relating to Wills Are Based Largely Upon Roman Wills

PRECAUTIONS SHOULD BE TAKEN

The Stories Hinging on Wills Scribbled on An Old Envelope or Piece of Wrapping Paper Are Very Largely Fanciful

By FRANCIS H. SISSON,
Vice-President Guaranty Trust Company of New York.

IT is a strange fact that many capable persons who devote the energies of a successful lifetime to acquiring a competency often give little thought to what will become of this property when they are dead or otherwise incapable of administering it.

The right to make a will as we understand it at the present time—that is, the right freely to dispose of one's goods and lands after death—has been a right so jealously contested for between subject and sovereign that it has come to be regarded as an inherent right of a free people.

Brushing aside the vestiges of this right, if any, in earlier civilizations, the modern statutes relating to wills are based largely upon Roman law. In the older Roman law, freedom to make a will was unrestricted, but later the right to dispose of property was curtailed, and a definite portion of the property was required to be left to a disinherited heir. These abridgments to the freedom of disposing of property by will exist in practically every country, the foundation of whose legal system is drawn largely from the Romans, and with us to-day limitations in many respects are imposed by the laws of various states of our Union. In Roman law, however, there was no distinction between the nature of the property to be disposed of by will; there was no distinction between goods and lands. But later on, in England, an age-long struggle took place between the Roman law as interpreted by the churchmen, the feudal law of the Romans, and the old customary law of the Anglo-Saxons, which was not resolved until comparatively recent times.

The person contemplating the exercise of the "privilege and duty of making his will" should be careful always to consult competent legal advice. The stories hinging on wills scribbled on the back of an old envelope or piece of wrapping paper are largely fanciful.

There is another matter almost as important as directing who shall receive the property after death, and that is, who shall handle it for the benefit of those left behind. If the maker of a will does not decide this, it is the court which names the administrator. Frequently, this means not only the choice of someone whom the head of the family would not have selected, but it may result in added expense and delay.

Many persons hesitate to approach the preparation of a will, feeling that it is a document, which, when executed, exists for all time, and that they are not prepared for a final decision. Nothing is further from the truth. A will is only operative and binding at the date of the maker's death. Before a person dies he may make any number of wills, each of which in succession should, by its terms, revoke and cancel all prior wills.

The will also enables you to extend the distribution of property over a long period, or to surround it with such restrictions as will protect from ill-advised investment or mismanagement.

The terms and conditions under which trusts are established in wills are manifold. A man may place his estate in trust for any person—wife, son, daughter, or other individual—during his or her life, stipulating that it shall be turned over to someone else at the first beneficiary's death. He may place his estate in trust for a certain time, as in the case of a young son whose education and care he wishes guaranteed, and for whom he wishes property preserved until he shall have attained mature business judgment. He may place his estate in trust to be paid out in periodical installments to the beneficiary. He may place it in trust for a charity or other institution. He may provide successively to benefit a person during life and a charity after that person's death. He may give the full income to his wife for life and subsequently retain portions for his children, making different provisions for sons and daughters, as his prudence may suggest.

The executor's duties begin with the death of the maker of the will. He may face a year or more of intricate work.

All of these duties require knowledge of business, experience and judgment of the highest order. It is clear that the responsibility which a trustee assumes is a vital one. It is needless to say that the man should not appoint his executor and trustee thoughtlessly.

For various reasons, therefore, the advantages of employing as executor a corporation that makes a specialty of such work is apparent. Such a corporation is a trust

Continued on page 21.

FORM OF WILL*

I, ... of ....

in the Province of ...., hereby make this, and declare it to be my last Will and Testament.

I revoke all testamentary writings by me heretofore made.

I nominate, constitute, and appoint The Standard Trusts Company, having its Head Office in the city of Winnipeg, in the Province of Manitoba, my sole Executor and Trustee, and I convey to and vest in said Trustee all my Estate heritable and movable, real and personal, of whatsoever kind and wheresoever situate, that shall belong to me or to which I shall be entitled at the time of my death, and that for the following purposes:

FIRST—The payment of all my just and lawful debts, deathbed and funeral expenses, and the cost of executing this Trust.

SECOND—The payment of the following bequests:

THIRD—I give to ....
all my furniture and personal effects.

FOURTH—I give to ....
all the moneys which may be at my credit in my open account in the Bank at the time of my decease.

FIFTH—To divide the residue of my said estate in the following manner:

I give full discretionary powers to my Trustee in the disposition and realization of my Estate; to hold my current investments or to convert them into cash and re-invest in securities provided by the Trustee Act, or in such other manner as they see fit.

IN WITNESS WHEREOF I have hereunto subscribed my name, this day of A.D., 19
before of and
of who, at my
request, in my presence and in presence of each other at the same time, have signed their names as witnesses.

WITNESSES:

* This is merely a suggestive form of Will and the Testator will require to eliminate, alter or add clauses herein to suit his particular requirements.

PROVINCIAL LEGISLATION IS IMPEDING THE MOVEMENT OF CAPITAL TO CANADIAN WEST

Serious Handicaps Imposed by Legislative Restrictions and Disabilities

SOME IMPROVEMENT SHOWN

Saskatchewan and Alberta Have Conceded That Seed Advances Should Not Take Precedence Over First Mortgages—Manitoba More Backward

By G. H. DAVIS,
Of Munson, Allan, Land & Davis, Winnipeg.

IT CANNOT be denied that one of the most powerful influences operating to retard the flow of capital to Western Canada for investment is to be found in the serious handicaps imposed by legislative restrictions and disabilities and probably the most far-reaching in its effects is that class of legislation which is the subject of our present consideration.

While economically there may be title distinction between this and the emergency legislation, attributed to the war, their general effect being the same, there is this difference that the Moratorium statutes, given time, should ultimately run out, but this class of legislation began before the war, and will likely only yield to the persistent efforts to educate our legislators and the general public to a realization of the simple fact that disabilities upon lenders react upon borrowers.

It is encouraging to note that some progress has been made, largely through the efforts of the Mortgage and Investments Association and its affiliated organizations. In Saskatchewan and Alberta it has been conceded that seed advances should not take precedence over first mortgages. Alberta has taken a step towards the restoration of the personal covenant, and although she has still some distance to go before attaining the simple replacement which you have a right to expect, it is a hopeful sign and will no doubt encourage your associations to continue their efforts.

It is worth mentioning here that Manitoba, at the session just closed, took the first step towards removing the general moratorium by providing that the present restrictions, which prevent the collection of interest, insurance premiums and taxes until overdue one year, will cease to be operated after January 1, 1922. On the other hand, she extended the soldiers' protection, which would have expired May 1, 1921, to May 31, 1922. Alberta and Saskatchewan have both held sessions without making any move in the direction of extension, so that it may be fairly assumed that in these provinces we are in sight of the end.

Undermining Mortgages

Of all the legislative handicaps imposed on lenders by Western Canada the most far-reaching in its effects is the legislation destructive of the ranking and priority of existing mortgages. Millions of dollars, in many cases trust funds, have been remitted to Western Canada from life insurance and other financial institutions in Eastern Canada and Britain for investment upon the security of mortgage contracts certified by Government to be first and preferential liens upon the property offered as security, but by legislation enacted after the loans were made, and retroactive in its effect, lenders find that without their knowledge or consent they have reduced them to the position of a junior mortgagee.

It cannot be made too clear that the grievance lies not in mere restrictions which discourage borrowing by making it unsafe and expensive, but in their application to past transactions so as to destroy, in a large measure, the value of securities already given. It is this feature, unique in British countries where sanctity of contract is fundamental, that destroys confidence and arouses the sense of injustice and lack of faith. Small wonder that financial institutions, with world-wide operations, seeking fields for the profitable employment of capital, and free to go wherever in the world funds may be safely and profitably employed, are showing signs of withdrawing from fields where governments set an example by showing such a flagrant disregard of contract obligations. With an impaired reputation for fair dealing Western Canada cannot hope to compete for capital against the attractive returns being offered in other lands at rates undreamed of a few years ago.

Relation to Registration Systems

It is worth while to consider the effect of this legislation upon the general system of title registration. Registration of itself has little value save as a means of maintaining priority, the idea at the base of every title registration system being that priority in time shall prevail. For this purpose our governments have elaborated a system of registration and guarantee of title that older communities envy. A registered title or registered charge, backed as it is, or is supposed to be, by a government guarantee and a belief in the ability and intention of the government to keep faith, has grown to have a special value, so much so that millions of dollars have been invested in the West on the strength of clear certificates of charge as evidencing as incontestable security, the validity of which was open to question only on grounds of fraud.

Of what great use, however, is it to establish priority at the moment of registration when that priority may virtually be destroyed by after-created liens, which, by virtue of this legislation, are made to have the same effect as if they had been created prior in point of time. One has in mind a British life insurance company that has large sums invested in Western Canada, where a registrar's certificate of clear charge is sent over for each investment and is accepted by them as being conclusive evidence, backed by government, of the validity

Continued on page 32.

HIGH CONSTRUCTION COSTS RATHER THAN SCARCITY OF FUNDS DISCOURAGES BUILDING

Loan Companies Are Able to Supply Legitimate Demands For Construction Purposes For Time Being

RATES ARE TENDING UPWARD

Present-day Values Undoubtedly Well Above Normal—Loan Companies Look to Future And Issue on Narrower Margin of Estimated Value of Property

By A. W. BLUE.

THE monthly totals of building figures for the Dominion indicate that construction is steadily assuming greater activity as the spring progresses although still far below normal for this season. Unusual and difficult factors have contributed during the past twelve months to the slowing up of building operations, among which may be cited the high cost and scarcity of materials, and probably the more important, the unprecedented wages demanded and received by labor.

While there has been an improvement this year, both in the amount of money available, and in the costs of materials, which are steadily declining, wages must yet undergo considerable readjustment before building can be resumed on anything like a normal cost basis. There has as yet been comparatively little alteration in the scales of wages which prevailed throughout the past year, although there undoubtedly has been some improvement in the amount of work performed by the individual, which on the whole is an important factor in reducing building costs.

At the moment there is a pressing need for additional housing accommodation in this country. The demand for factory and warehouse space has been satisfied in part by the large volume of building during the early months of last year, and in the years during the war when individual firms were required to expand in order to care for war contracts, but the adverse turn of business is largely responsible for the surplus at the present time. Business depression has been attended by a wholesale reduction of stocks, and therefore a reduction in the amount of space required for their storage. Building this year is largely confined to the construction of residences, and here the mortgage and loan companies play a large and important part.

The Canadian loaning companies have faced difficult problems during the past year, and were required to exercise extreme caution in connection with loans on properties under construction or upon real estate. Property values have been inflated beyond all former levels, and beyond, too, what will ultimately prove a normal cost basis. Present values are generally considered as being at least 30 per cent. above intrinsic worth or the value which this form of property will asume when the demand has been satiated by additional building. The loan companies, according to their custom, have figured on a five-year period for their loans, and their estimate of the value of the property at the end of the five-year period has been considerably lower than present market prices. Loans therefore have been under the normal percentage of the current market values of the properties rarely more than 40 per cent. of present day valuations, and the builder or prospective purchaser has been required to advance more than the usual amount of his own money on his purchase. This has had the effect of delaying transfers, and slowing up operations generally. The loan companies too, have found it necessary to advance rates in order to compete with the other investment fields. Rates which have prevailed around 7 and 7 1-2 per cent. for high-class properties are tending upward, and have been advanced this spring in many instances from 7 to 7 1-2 per cent. and from 7 1-2 to 8 per cent. on first mortgages, while loans on western farms range from 8 to 9 per cent.

A Deterrent Influence

The high cost of money has exerted a deterrent influence, and has no doubt been responsible in causing prospective builders in many cases to delay operations until both normal construction costs, and lower prices for money have returned.

Under the circumstances the loan companies have been well able to supply the legitimate demands during the year—that is the demand of the builder who was willing to advance a fair margin of the cost of the property himself. The speculative builder, on the other hand has been discouraged by high construction costs and desiring to finance only a relatively small proportion of the cost of construction he has been unable to secure an adequate amount from the loan companies, and he has therefore been forced out of the market for the time being.

Building costs are steadily declining and the way is thereby being prepared for a development of building on a broader scale. At the moment, however, with the prospect of still lower costs in view there is a tendency on the part of the prospective builder to wait in order that he may build under still more advantageous conditions at a later date. The benefits to be derived from an adherence to this policy is illustrated in the case of a Toronto citizen who had planned building a residence last fall. He purchased some land at a cost of $4,000, and called for tenders for the construction of a residence upon this lot. The lowest tender at $22,000 he considered altogether too high, and, discouraged, he shelved his plans for the time being. This spring, however, he again called for tenders, and this time the lowest was $18,000 for a similar type of construction, or a reduction of almost 20 per cent. There is no doubt that present prices have no bearing on real values and that costs will ultimately come down.

Scarcity of New Money

The loan companies are facing an additional handicap, the difficulty of getting new money into the business. With government and municipal securities paying 6 per cent. and better the loan companies find that their rate of 5 1-2 per cent. is frequently considered a minor attraction, and they are required to do business on the money that has been previously placed with the business, the re-investment of monies as they fall due on loans. With the prevailing mortgage rates at 7, 7 1-2 and 8 per cent. they find it impossible to make a profit on a margin of 1 1-2 per cent. and require 2 per cent. at least. This reduces the rate which they can pay to 5 per cent. which is under the average rate in the security market. Then, again, while there is money available in Britain, according to report, conditions with respect to exchange, while improving, are unfavorable to bringing this money out to Canada. Companies with a British connection merely raise enough money in Britain to meet their debentures payable there as they mature and some are taking advantage of the exchange situation to pay off a portion. Interest rates will have to undergo considerable adjustment in Canada before the loan companies will have sufficient capital to bring about lower rates on loans.

THE INSURANCE COMPANIES INCREASING INVESTMENTS IN CANADA MORTGAGE LOANS

Developments of Year Show a Tendency to Return to Pre-War Activities

AN increase not only in total mortgage investments, but in the percentage of such investments in relation to total assets, by the insurance companies in Canada is indicated by figures prepared for THE FINANCIAL POST by G. D. Finlayson, superintendent of insurance. At the end of 1920 the investments in mortgage loans by Canadian companies totalled $103,895,691, compared with $91,325,101 at the end of the previous year, an increase of more than $10,000,000; at the same time the ratio to total assets increased from 24.28 per cent. to 24.73 per cent. These figures indicate the important part which the insurance companies play in the mortgage siuation in Canada:

	Dec. 31, 1920	Dec. 31, 1919
Assets of Can. Life Companies..	$420,096,797	$376,476,890
Mortgage Loans	103,895,691	91,325,101
Real estate	17,170,659	16,791,000
Loans on Collateral	1,632,889	1,761,166
Loans on policies	49,303,632	44,611,927
Bonds and debentures	202,344,898	179,510,373
Stocks	25,440,716	24,979,354
Cash	2,924,976	2,403,405
Interest and Rents	9,266,513	8,066,569
Prem. o/s, deferred and annuity	11,123,569	9,019,887
Other Assets	150,998	292,068
Deficiency of market value	3,157,744	2,283,960

Looking back over a period of sixteen years the increase in the ratio of mortgage loans to the total assets of the insurance companies during the past year is significant in that it indicates a tendency to get back to a position in this respect held prior to the war, when—in 1913—the ratio of mortgage loans was 37.39 per cent. of the total assets. During the war period there were two reasons for a tendency to reduce mortgage loans. In the first place there was a weakening in demand for loans on account of the prosperity of the farmers and the fact that there was comparatively little immigration or new development. In the second place there was an insistent call for the marshalling of the financial reserves of the country for the purposes of the war. For this reason the percentage of total assets invested in bonds and debentures rose from 31.45 per cent. of the total in 1915 to 47.68 per cent. in 1919. Nor did this tendency cease with the year just closed; the ratio during 1920 advanced to 48.17 per cent.

Post-War Conditions

This post-war development was undoubtedly due to the attractive nature of bond investments offering. During the present year it will undoubtedly be found that there is a continued and stronger tendency to place investments in mortgages which are now showing attractive returns in interest rates. The following table indicates the percentage of mortgage loans to total assets since 1905:

Table Illustrating How the Percentage of Canadian Life Company Assets Invested in Mortgage Loans Has Risen and Fallen in the Past Fifteen Years

Year	Total Assets	Mortgages	Per Cent.
1905	$102,438,414	$26,703,101	26.06
1906	114,650,833	31,822,209	27.78
1907	125,178,214	36,674,313	29.30
1908	138,491,378	39,817,658	28.75
1909	153,790,291	45,346,488	29.48
1910	170,804,631	53,159,839	31.23
1911	190,722,358	63,565,430	33.33
1912	211,632,875	75,248,268	35.55
1913	233,244,496	87,215,996	37.39
1914	257,826,939	94,765,472	36.75
1915	274,243,433	96,058,935	35.02
1916	298,247,383	95,916,630	32.15
1917	322,753,547	92,703,647	28.72
1918	347,507,696	90,653,299	26.09
1919	376,476,890	91,325,101	24.28
1920	420,096,797	103,895,691	24.73

To further illustrate the trend of investing as followed by the insurance companies in relation to assets the following comparative percentages may be studied with interest:

Table Illustrating How the Relative Importance of Mortgage Loans to Other Forms of Investment Has Changed in the Case of Canadian Life Companies.

Security—	1905	1910	1915	1919	1920
Real Estate	4.68	3.94	5.14	4.46	4.00
Mortgages	26.07	31.12	35.02	24.28	24.73
Loans on Collateral..	3.33	.99	.62	.47	.39
Loans on Policies....	9.45	11.95	14.34	11.85	11.74
Bonds & Debentures.	*48.73	37.58	31.45	47.68	48.17
Stock	....	8.82	6.60	6.66	6.06
Cash	2.67	1.34	1.88	.64	.70
Agents' Balances ...	.12	....	....	....	....
Int. & Rents Accrued	1.38	1.60	2.45	2.14	2.21
Prem. Outstanding ...	3.27	2.50	2.39	2.39	2.65
Other Assets	.30	.16	.11	.08	.04
	100.00	100.00	100.00	100.00	100.00

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*In 1905 stocks, bonds and debentures were shown in one lump sum in the insurance returns.

Investments All Companies

The total funds invested in Canada by insurance companies of all classes are given in the table hereunder and show a substantial increase over last year; they are in fact higher than they were in 1914. This indicates that mortgage investments are regaining their popularity.

Total of Funds Invested in Mortgage Loans in Canada by Insurance Companies Operating Under Dominion Licenses

	1914	1919	1920
Can. Life Co.	$94,765,472	$ 91,084,333	$103,517,791
Brit. & Col. Life Co...	18,420,270	12,998,447	12,727,404
U.S. Life Co.	9,173,058	10,063,742	9,143,873
Canadian Fire Co.	3,169,250	2,112,342	2,275,827
British Fire Co.	14,695,586	*3,969,328	13,047,264
U.S. Fire Co.	8,500	6,000	5,500
Can., Miscellaneous ..	160,636	277,041	283,092
Brit. & For., Miscel...	......	......	......
	$140,392,772	$120,511,233	$141,000,751

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*Does not include Law Union and Rock, which toalled $8,893,661 in 1918 returns.

The increase is accounted for by the Canadian and British companies, some of the others showing a reduction.

THE DOMINION SAVINGS & INVESTMENT SOCIETY

Dominion Savings Building

Incorporated 1872

London Ontario

Capital, - $1,000,000.00

Total Assets - - - - - $2,119,607.35
Total Liabilities to the Public - - 888,172.53
Surplus - - - - - - $1,231,434.82

(Extract from Annual Report for 1920)

T. H. Purdom, K.C., *President*

Nathaniel Mills, *Managing Director*

The Ontario Loan & Debenture Co.

(Incorporated 1870)

LONDON - - ONTARIO

Capital, Paid Up - - - $1,750,000
Reserve Fund and Undivided Profits - 2,281,653

DEPOSITS received 3½%

DEBENTURES issued 5½%

MORTGAGE LOANS—Loans on Canadian Real Estate (Improved Farm and City Property) at Lowest Rates

JOHN McCLARY, President

A. M. SMART, Manager

Mercantile Trust Company of Canada
LIMITED

Head Office: 11 Main Street East, Hamilton, Ontario

Authorized Capital - - - - - $1,000,000
Paid-Up Capital - - - - - 500,000
Reserve and Undivided Profits - - 141,314

Chartered Executor, Trustee, Administrator, Etc.

President: CYRUS A. BIRGE *Vice-Presidents:* Col. HENRY L. ROBERTS JAMES TURNBULL
Chairman of Executive Committee: THOS. C. HASLETT, K.C.

Directors:

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A. E. Dyment
J. J. Greene
Sir John S. Hendrie, K.C.M.G.
J. F. Kavanagh
Col. John I. McLaren
Lt.-Col. W. H. Merritt
Gen. the Hon. S. C. Mewburn
Stanley Mills
W. A. Wood
C. S. Wilcox

Manager: S. C. MACDONALD

The above representative directorate is an assurance that all matters of trust may be committed to the Company's care with confidence. Interviews or correspondence solicited. Booklets dealing with the care and management of Estates mailed on request. All business under direct supervision of the Executive Committee.

The
Waterloo County Loan & Savings Company

Incorporated 1913

Head Office: Waterloo, Ont. Assets Dec. 31, 1920, $2,789,000.00

Organized in 1913, The Waterloo County Loan and Savings Co. has steadily increased in size, until now it holds quite an important position amongst the financial institutions of the country. At the present time the company's paid-up Capital and Reserve amount to $800,000, and total Deposits and Debentures from the public over $1,800,000. Interest at the rate of 4% is paid on Savings Accounts and 5% on Short Term Debenture Accounts.

DIRECTORS:

THOS. HILLIARD, President, Waterloo
J. M. SCULLY, Kitchener
F. S. KUMPF, Waterloo
GEO. FORBES, Hespeler
W. L. HILLIARD, Waterloo
E. F. SEAGRAM, Vice-President, Waterloo
S. B. BRICKER, Waterloo
J. H. GUNDY, Toronto
F. HALSTEAD, Waterloo
H. J. SIMS, Kitchener
A. J. KIMMEL, Cobourg

P. V. WILSON, General Manager

GOOD CIVIC GOVERNMENT IMPORTANT FACTOR IN THE SECURITY OF INVESTORS

Something About Aims and Objects of Citizens' Research Institute

PLAN TO PROVIDE SAFEGUARDS

Private Concerns Would Do Everything Possible to Secure Best Results From Money Spent and Municipalities Should Do Likewise

By Dr. H. L. BRITAIN,
Director Citizen Research Institute of Canada.

WITH few exceptions every citizen in Canada lives under three governments—municipal, provincial and national. His well-being, his safety and the safety of his investments in the country depend largely upon the efficiency of these three grades of government. If the governments under which he lives are extravagant or inefficient, they take away from him an undue amount of the proceeds of his thrift and industry and diminish his ability to enlarge his production, to do his share to increase the national wealth and even to pay his share of the future cost of running the government. Extravagance and inefficiency in government not only waste the substance of the citizen and place a blanket mortgage on his property and a lien on his earnings, but set an example of waste, and therefore encourages private waste. What greater menace to the stability of our institutions, to the security of our investments, to the guarantees of the product of our labor and thrift, to the citizen's right to "life, liberty and the pursuit of happiness" can possibly exist than inefficiency, irresponsibility or extravagance in government?

While we in Canada have undoubtedly much to be thankful for with respect to the nature of our various governing bodies, the huge aggregate expenditure upon all forms of governmental activity demands unlimited vigilance to secure the fullest value for every dollar expended and to insure that no dollar is expended, the expenditure of which is not needed in the public interest. For example the government of the Dominion spent last year on current account over $357,000,000. A rough and ready estimate of the total expenditure of the government last year and that is the only sort of an estimate possible under present conditions, would be, say, $550,000,000. This would represent an annual expenditure per head on current account of $62 or per family an average of $310. No private concern or group of concerns spending annually such a huge sum would contemplate carrying on business without adopting all possible safeguards and all possible means to eliminate unnecessary expenditures and to secure the best results from necessary expenditures. If this is necessary in private business it is much more essential in public business. The conception of citizens of Canada as shareholders in a huge going concern, paying dividends of security, prosperity and well-being, if it really could be impressed upon the minds of the present and coming generations would do much to secure efficient and economical government.

Total Investments of People

It would be impossible, save at great expense, to make an accurate estimate of the total investments of the citizens of Canada, both public and private. It is possible, however, to make a rough estimate of some of the fixed investments of the citizens. The assessment of real property in the Dominion, without including nearly $1,000,000,000 exempt from taxation, would indicate that private holdings in real property in the various municipalities amount to at least six billion dollars. The public debts of these municipalites are in the nature of a first charge, not only on the public property of the municipalities, but upon the private property of their citizens. It is probable that the various municipalities of Canada have invested in streets, sidewalks, bridges, school buildings, police and fire stations, sewers, parks, etc., over three hundred million dollars. All these investments would be of no value if there were no citizens to use them. An oppressive burden of taxation tends to drive away population or prevent it coming in, and, therefore, tends to depreciate the value of the investment in these ordinary services, and the security of the bonds which have been issued to procure funds for these capital expenditures. What is true of the capital expenditures on these ordinary services is still more true of capital expenditures for public utilities.

A study made in November, 1920, estimated that the municipalities of the Dominion at the beginning of the year had investments in light and power amounting to $63,500,000; in waterworks, $120,500,000; in transportation, $18,000,000, and in other public utilities, $13,000,000, making a total of $215,000,000. The management of these services in which such huge investments have been made has a very direct relation to the tax rate and to the security of all private and public investments of the citizens. The provinces also have large investments in roads, public buildings and other public services, and, in addition, at the end of 1919, are estimated to have invested in publicly-owned and operated utilities the sum of $124,000,000. The Dominion Government's capital investment in general service such as post-offices, customs houses, administration buildings, harbor works, etc., are exceedingly large, while at the end of 1919 its investments in publicly-owned and operated utilities are estimated at $670,000,000. Probably at the end of the year such investments will total over $1,000,000,000. A great part of these large capital expenditures are represented by securities in the hands of the citizens of this country, the value of which will be directly affected by the manner in which our various governments administer their assets.

The greater part of these public investments are fixed, their value depends upon the stability of the country and on the expense of carrying on industry and commerce. The cost of government is one of the costs, and an important one, of carrying on business and production. It is, therefore, of vital importance to every citizen of Canada and particularly to those who have a physical, as well as a moral, stake in the country that public debts shall be kept within reason and public expenditures limited to productive purposes, using the word "productive" in its broadest sense.

Movement For Citizen Research

In 1914 a group of public-spirited citizens of Toronto conceived the idea that the chief cause of mistakes in government, on the part of the citizens, legislators and administrators, was lack of information and that little improvement in public affairs could be hoped for unless there were more widespread knowledge of the pertinent facts regarding all governmental processes and undertakings. This group had the courage of its convictions and with the co-operation of 100 business men in the city raised a fund for a thorough study of six of the most important civic departments. After the report was issued it became evident that the establishment of a permanent organization was necessary to carry on a continuous study of the city's affairs and make the knowledge so gained available to the citizens as a whole in the form of concise, clear and forcible publicity. Some 250 men contributed $15,000 for the first year's program. At present, after seven years existence, it costs the Toronto Bureau of Municipal Research $30,000 annually to carry on its work. This amount is raised by voluntary contributions from interested citizens and represents an expenditure of one-tenth of one per cent. of the total current expenditure of the city.

In 1918 some members of the original group decided that the method had justified itself sufficiently to warrant its extension to the national field. The result was the formation of the Citizens' Research Institute of Canada, which should attempt to make available to municipalities throughout the Dominion, to Provinces, to the National Government and to all interested citizens the best results of research in government and publicity based thereon.

The Work of the Institute

The institute carries on three main types of work:

1. Special studies or surveys for groups of citizens, municipalities or governments. These carry all their own costs and are paid for at cost by those requesting the study or survey.
2. General studies or surveys in the public interest which cannot be charged to any particular group, and must be financed by a national fund.
3. The publication of bulletins, pamphlets, newspaper articles, magazine articles based on the results of general studies and surveys for the purpose of giving non-partisan, disinterested information to citizens, legislators, and administrators on all important phases of public business.

The institute is an educational institution and the success of its work must be judged by its effect on public opinion and its reflex on the processes of government. This is a long process, but is the only known method of effecting lasting improvements. Can anyone looking upon the nation to-day say that the movement has started too soon?

The Value of Comparative Statistics

Comparison is the only method of estimating one's progress—comparison with one's own past performances or with the present performances of others. What is true of the individual is true of a corporation or a government. In industry such comparative figures have long been available and are an essential element in efficient management. But in the municipal field comparative statistics are either impossible or dangerous. It is frequently impossible to compare a community's present performances with its past, either because the basis of recording and reporting has changed or because the accounts are on a receipt-payment basis rather than a revenue-expense basis. It is always a risky undertaking to compare one municipality with another, as there has been practically no standardization of municipal accounting and reporting, and, as between provinces, no agreement as to the meaning of the terms used, as to methods of revenue production, as to methods of payment for services, or as to standard summaries of municipal facts in provincial publications. One must proceed with extreme wariness when one undertakes to prepare comparative municipal statistics. Then when they are prepared, in using them one must always remember that services and the quality of services vary as between municipalities and that equality of expenditures may not at all represent equality of values received.

Nevertheless, bearing all these things in mind, comparative statistics, even on the basis possible at present, will produce facts that should give pause to many a citizen, many an alderman and many a civic administrator.

The institute has begun an annual publication in loose leaf form giving comparative total, per capita and percentage figures of assessment, debt and taxation for the municipalities of Canada. A copy of the first pages is available for examination by the members of this association, who, I think, will find the information valuable—not only for general educational purposes, but also for the purpose of assisting in arriving at judgments as to the safety of municipal securities and the desirability of investments in the various cities and towns of the Dominion.

An annual income amounting to one-hundredth of one per cent. of the annual expenditure of all grades of government on current account would enable the institute to secure worth-while results from its work. Whether or not the movement, which has been so long incubating, will emerge into the larger field of usefulness, depends entirely on the moral and material support of the citizens of Canada and those financial institutions which are most vitally interested in the efficiency of government.

HARDING ON THRIFT

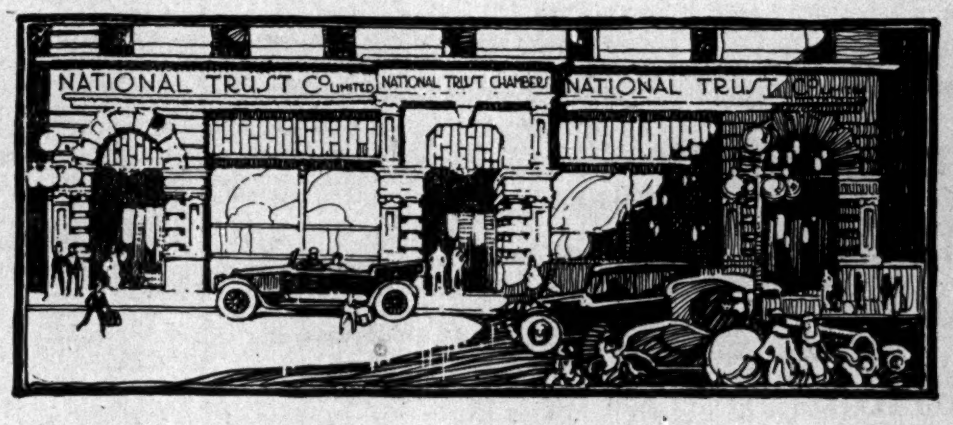
President of United States Advises People to Save

Cultivate the habit of thrift and saving. This is the advice of President Harding to the people of the nation as a means of straightening out the tangle of financial and economic problems precipitated by the war. The President's views on the subject were given in a letter received by Earl R. Obern, manager, Publicity Department, Noel State Bank. The President's letter follows:

'You have asked me for an expression regarding the subject of saving money. I have for many years been pretty well convinced that saving money is largely a habit and people who make a good beginning at it presently discover that it is by no means impossible, and is altogether a good thing to do. Just at this juncture in the world's and our country's affairs it is certainly one of the most useful contributions that people could possibly make toward putting the world right.

"I do not believe there is any other way to straighten out the tangle of financial and economic concerns, precipitated by the war, except to produce a good deal more than we consume, which means to save and by our savings to re-establish the world's stores of working capital. I have no more earnest hope than that the public may take this lesson to heart and learn to save as, in view of our great national good fortune, they could be able to do.

Very sincerely,
WARREN G. HARDING."



4%

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(a) **Location**—King Street, north side, just east of Yonge

(b) **Security**—Moneys received on deposit are invested by us in Trustee Securities, that is, in First Mortgages on improved real estate or Government or Municipal Bonds. These are the securities which have been authorized by Governments after long experience as the safest investments for trust funds.

(c) **Interest—at Four per cent. per annum.**

(d) **Deposits subject to cheque withdrawal.**

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National Trust Company, Limited

Paid-up Capital and Reserve $4,000,000

Assets under Administration over $94,000,000

18 King Street East - - - Toronto

Canadian Mortgage Building: Toronto

THE CANADIAN MORT[illegible] INVESTMENT COMPANY

Capital and Surplus, $2,000,000

A Representative Canadian Land Mortgage Institution National in its Operations

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Vice-President Bank of Toronto; Director Confederation Life Association.
D. B. HANNA,
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General Manager, Canadian National Telegraphs.
F. W. G. FITZGERALD, Managing Director.

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COMMUNITY TRUSTS ARE BEING ADOPTED BY MANY LEADING AMERICAN CITIES

A Trust or Foundation to Provide Administration of Funds for Charitable Purposes

CLEVELAND LEADS THE WAY

Early Experiments in England Give Idea for a Practical Demonstration of the Scheme With Results Which Have Been Regarded as Satisfactory

By JOHN COWAN,
Toronto General Trusts Corporation.

DURING the past few years, a new institution has made its appearance in many American cities, known as "The Community Trust" which is well worthy of our careful consideration in Canada. America was the pioneer country for trust companies. The great industrial development of the Republic provided unlimited scope for the expansion of the business of these institutions and there they have reached their fullest growth. As the Community Trust is a further application of the principle of corporate trusteeship, it is natural that America should again lead the way in demonstrating its utility.

What is the Community Trust? It is a trust or foundation created to provide the administration and control of funds bequeathed or donated by the citizens of a community for charitable, educational or benevolent purposes as a means of making their fellow-men healthier, happier and more worthy.

The first of said trusts to be established in the United States was the Cleveland Foundation founded by F. H. Goff, president of the Cleveland Trust Company, in 1914. The idea was the result of a study and research by him into the situation of charitable trusts in the United States and in England. England especially proved a fruitful field for this research on account of the large number of such trusts which had been established there in bygone centuries.

Many of these trusts had been created by public spirited and well-intentioned people who had failed, however, to grasp the truth that times change and men change with them, the result being that with the passing years the purposes of the donor could not be continued as the objects of their benevolence no longer existed. And in addition to these circumstances, there were numerous other trusts which owing to strange idiosyncracies on the part of the granters when making the trust deeds could not be adminisgtered in perpetuity as therein directed. Let me cite two such cases.

Tried in England

In the middle of last century a foundation was created in England to propagate the sacred writings of Joanna Southcott who founded a religious faith on the belief that she was to give birth to the Messiah. Her fanaticism secured for her a numerous following which disappeared when she died childless.

The other case is that of Thomas Nash, who exhibited a strange streak of humor when by his will he bequeathed the sum of fifty pounds per annum in trust to the bell ringers of the Abbey Church in Bath on condition that they ring the whole peal of bells with *clappers muffled* from eight o'clock in the morning until eight o'clock in the evening on the 14th day of May in each year, that being the anniversary of his wedding, and that on the anniversary of his death each year, they ring merry, mirthful peals, *with unmuffled clappers*, during the same hours in commemoration of his happy release from domestic tyranny!

By the middle of last century it was estimated that there were about 40,000 charitable trusts in England a large number of which were so restricted that they could not be administered, and so to provide means for the more beneficial application of the trust funds in these cases the Imperial Parliament passed the Charitable Trusts Act of 1853. The purposes of this statute were set forth by one of the leading English judges when he stated that it was intended to put an end to very scandalous proceedings on the part of individuals who, ascertaining that there was a fund disposable for the purpose of charities which had been overlooked, and thinking that a considerable profit might be made in the way of costs, institute proceedings which are not likely to produce good to anyone.

Cleveland Sets Example

Reading this lesson in the light of the history of these trusts, several leading American cities, following the example of Cleveland, have therefore established a Community Trust for the purpose already mentioned.

The times have also been ripe for such trusts. Social science has made people everywhere realize their obligation towards their fellow-men as never before. Despite all the class selfishness existing, and it is very much in evidence these days, generally speaking men to-day, and more particularly men of wealth are realising their obligation to the community. The war has undoubtedly quickened this feeling. Men who have accumulated great wealth as the result of their genius and their enterprise are dedicating large portions of their property towards the well-being of their fellow-men. We have several splendid examples of this in the city of Toronto. Take two of the best known benefactions in America, the Carnegie and Rockefeller Foundations. What a vast amount of good is being accomplished through these donations, in the spread of knowledge and relief brought to suffering humanity as the result of Medical Research. Mr. Rockefeller's gift was broadly and unrestrictedly made to promote the well-being of mankind. Realizing that he could not foresee the needs of mankind in future ages he imposed no restrictions and made no suggestions as to how either the principal or interest should be applied. The trustees were given the unhampered use of either for the needs of war in times of war, and the broadest possible powers for the service of humanity in times of peace. The trust deeds incorporating the Community Trusts contain like provisions. The living must ever take precedence over the dead and the trustees administering these trusts will be in a position to carry out the purposes of one who once lived and loved his nation without the danger of these purposes ever being frustrated on account of changed conditions.

As might be expected, the trustees of these Community Trusts are trust companies whose experience in handling trust, whose permanence, organization and financial responsibility well qualify them for the duties. The application of the funds, however, is in charge of a distribution committee, this committee being thoroughly representative in its character. The members are appointed on the nomination of prominent public officials such as the president of the local chamber of commerce, the senior judge of the Court of Appeals, the mayor of the city and by the directors of the trust company administering the trust. Of course the constitution of this committee and its mode of appointment varies in different cities, but two features have been embodied, one that a sufficient number of members is elected for a long enough period to secure continuity of policy, and the other that the committee be widely representative.

Contributions to a community trust are made in a variety of ways. They may be made as a direct gift during the lifetime of the donor, or as a bequest under the terms of a will becoming effective immediately on the death of the testator or after the expiry of life tenancies as therein provided. They may be given for the general purposes of the trust-charitable, educational or benevolent purposes in the discretion of the trustees—or for some specific object as the testator or donor may direct. Most of the contributions and gifts which have been made to date have come through wills, and the extent to which the trust has commended itself to the public may be judged from the fact in Cleveland, since it was established there in 1914, approximately $100,000,000 has been given or bequeathed to the trust.

Among the attractive features of a Community Trust are these:—It provides for a more economic administration of many trusts through one body of trustees than is possible when these are administered by many institutions; it gives an opportunity to a man of limited means, but of public spirit, to make his contribution to the common weal. Many persons would make a bequest for the benefit of their native town or city but what would be the use of their gift of say $500, $1,000, or even $5,000. The interest on such an amount would be too small to serve any practical purpose. But if there were a Community Trust in that city or town receiving gifts of all sizes for specific or general purposes, then such a citizen could feel that even in his own small way he was making his contribution towards making the world better than what he found it, and smoothing out the highway for those who will follow after him.

Another advantage is that the funds can be used in a variety of ways so long as they are applied for the public benefit, irrespective of race, creed or colour. For example in the city of Cleveland as a preliminary to administering the trust, two important surveys were made, one into the public schools and the industrial problems of the city, and the other a recreational survey into the fundamental questions relative to play and recreation life, studying play habits and delinquency, play habits and school progress and play and recreation in the life histories of wholesome citizens.

It will thus be seen that the Community Trust, acting on behalf of the whole community and with its wide powers, may select an effective piece of work even in its early stages and that small contributors may have the benefit of such studies as are at present available only to large foundations.

Since the first community trust was established in 1914, the idea has been taken up by more than thirty cities and towns in the United States including New York, Boston, Philadelphia, Chicago, Buffalo, Detroit, New Orleans and other leading centres of population throughout the country. The future is on the side of the Community Trusts, and the next few years will undoubtedly see a large increase in their number.

Under the Community Trust plan our Canadian cities and towns could do much to develop a healthy public spirit among their citizens by providing funds for assisting educational and charitable institutions, by promoting educational and scientific research, by caring for the sick, aged and helpless, by improving living conditions and by providing facilities for recreation. A great deal of capital which is at present being frittered away could be put to a worthy use, and could thus help to build up in this magnificent Dominion a race of men and women worthy of the glorious inheritance wherewith a kind Providence has endowed us.

WINNIPEG CONVENTION OF THE MORTGAGE COMPANIES DEALT WITH MANY BIG PROBLEMS

Continued from page 17.

would be sufficient to provide for all floating liabilities including the advance through the rural credit scheme.

Banks and Farm Financing

The publication of Mr. Parker's statements immediately gave an opportunity for review and criticism of his address and it was pointed out by a banker that Mr. Parker's argument on behalf of the rural credit system presented the fundamental idea upon which all bank loans in Canada are placed.

"How would it have been possible for the up-building of Canada from coast to coast, with its vast agricultural organization and industry if it had not been for the assistance of our banking enterprise?" questioned a Winnipeg banker, who takes the stand that Mr. Parker's assertion that our national banking system is weak in that it does not provide for agricultural needs, is groundless.

"Rural credit societies have been rendering valuable service in the more newly settled districts where there is a large proportion of struggling farmers to whom the banks could not extend credit because of the handicap of the Exemptions and Dower Acts—handicaps which do not exist for the Rural Credit Societies which by the act are given a first charge on the lands and chattels of members upon the filing of a simple caveat or declaration. A great many of the Societies, however, have been formed in old settled districts where the farmers were already obtaining all the credit they required from the chartered banks."

H. W. Givins, Regina, dealt specifically with "Saskatchewan Government Farm Loans." He said it might reasonably be claimed that if repayments could not be applied in repayment of a specific debt that the funds should be used for capital expenditures which otherwise involve additional borrowing at higher rates. It seemed evident that being invested in farm loans stock, they will not be available when the debenture issues to which they respectively relate, mature. On the one hand the Provincial Treasurer of Saskatchewan has been placing capital funds of the province in farm loan stock bearing interest at 5 per cent., and on the other—and during the same period—borrowing at rates ranging from 5.35 per cent. to 6.47 per cent. Mr. Givins quoted the Provincial Treasurer of Saskatchewan as stating that it was not his intention that the people of Saskatchewan should be taxed for the purpose of providing cheaper money for the farmers.

A number of papers presented to the convention are printed in extended form in this issue.

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WORKINGS OF THE TORRENS SYSTEM OF TITLES AS IT IS EMPLOYED IN THE WEST

The Cardinal Defects in the Old Land System Effectively Disposed of

HOW ASSURANCE FUND WORKS

Makes Good Any Losses or Damages Suffered Through Mistakes—Prairie Provinces Have Made a Forward Step in This Respect —Simplifies Whole Machinery of Transfer

By D. J. THOM,
McKenzie, Thom & Co., Regina.

WITH the development of commerce, and the adaptation of the law to permit of commercial transactions being carried through promptly and with some degree of certainty, laymen become more and more impatient with the system of land transfer and title lagging as it was far behind the development of the law with respect to commercial transactions such as sales of goods, joint stock companies, and partnerships.

There were three cardinal defects in the operation of our land system:

First—Uncertainty,
Second—Expense,
Third—Delay,

Though theoretically Number One, Uncertainty, is obviously much more serious than defects Numbers Two and Three, in actual practice the latter two caused as much or more general irritation.

First, with respect to the uncertainty which it was designed to remedy: Omitting for the time being consideration of extraneous statutory modifications, such for example as seed grain legislation, there seems to me to be no question but that this element, if not entirely eliminated, has been brought almost to the irreducible minimum. When you take a mortgage from registered owner John Jones, register it, and obtain a certificate of charge showing no charges or encumbrances ahead of you subject to what are called the implied incidents of the act such as leases not over three years, unpaid taxes, and other matters than can be guarded against, you know what you have. You are not in the slightest concerned whether the wife of the fifth owner back barred her dower, or whether the will of the fourth owner back was correctly construed so as to vest the land in third owner back. So far as you are concerned, John Jones is the owner, and if you have John Jones' signature on your mortgage, you have a first mortgage. You have a good first mortgage, not because of the assurance fund, but because the statute enacted by the legislature of the Province, which is sovereign with respect to civil rights, says that so far as you are concerned, John Jones, named in the certificate of title is the owner. You would be just as safe in that respect if there were no assurance fund.

The Assurance Fund

Having mentioned this fund, however, let me digress for a few moments, to mention some features with respect to it. If I am right in premising what I have very briefly stated to be the essence of the system, an assurance fund is not an essential element; but it is a usual element, for it has been very generally considered that the property owner obtaining the special security which he obtains from the system, should contribute in a special way for that security, and not leave losses to be shouldered by the Province at large. It may also be interesting to you to point out in passing the dual nature of its functions. It has two quite separate and distinct purposes, which however, in ordinary thinking, are not perhaps kept as distinct as they actually are.

The first purpose is to make good any losses or damage suffered through mistakes in the Land Titles Office. Mistakes arise under any system, and should be provided for. I think perhaps that there has been more attention drawn to this matter of making provision for errors in the Land Titles Office by reason of the fact that this system trains us to rely more on the abstracts and certificates furnished by the Registrar, and less on our own searches and examinations than we did under the old registry system, and in that way there is greater scope for errors to arise. Also with a rapidly growing country producing a rapid expansion of business done in these offices, the consequent difficulty of procuring reliable assistants has been the cause of many errors. These are difficulties which only time and experience will overcome. Except in degree they cannot be said to relate particularly to the Torrens System.

I do think that the Prairie Provinces have made a distinct advance in assuming as a charge on the public funds, the liability for damage by reason of loss suffered by mistakes in the Land Titles Offices. This seems to me much more reasonable than as under the Ontario registry system, where the injured party has recourse only against the Registrar, and his more or less sufficient bond. On the other hand I would question whether this purpose alone would justify the creating of a special fund with special fees collected under its cover, in view of the ample surplus which, in fact, exists already in receipts over costs of service, as will appear from figures I will subsequently give you.

Liability of The Fund

I think too, that there has been some mis-apprehension of the extent of the liability of the assurance fund in this respect, which has caused some mis-placed criticism of the whole system. This purpose of the fund is simply as a substitute for the personal liability of the Registrar and his bond, and is merely to make good, loss or damage sustained. I am emphasizing for the moment the word "sustained." In the ordinary process of the law, damages are granted for loss actually suffered, not loss apprehended, unless possibly under such circumstances that the loss in inevitable. I think that governments are reasonably entitled to take the same position when they are being called on for the payment of damages. Let me illustrate. Suppose a mortgagee registers a mortgage securing $1,000, and obtains a certificate of charge showing his mortgage as a first encumbrance, and on the strength of this certificate he advances his $1,000. As a matter of fact it transpires that a prior execution or judgment, for say, $300 has been omitted from the certificate of charge. When the mortgagee finds this out, the chances are that he takes fright immediately, and calls on the government to take over the mortgage, or pay off the execution, at once. The officials, however, think that they can perhaps realize under the execution from other sources, and suggest that the mortgagee wait. After all they are right. We must admit that provincial credit is reasonably permanent. If under the circumstances I have mentioned, the mortgagee subsequently actually suffers loss, he will at that time, still have the liability of the province to fall back on.

While, therefore, I have no standing brief on behalf of the administration of the Land Titles Systems, in this case I think a certain amount of unfair criticism has been leveled at the system because the custodians of the Assurance Fund have refused to admit as against themselves, the maximum damage at the first moment of notification.

The second object of the Assurance Fund while not so often directly affecting mortgagees, is really the object of the fund which is peculiar to and distinctive of the system. I refer to the making good of the loss of the value of an interest in land, which anyone suffers by reason of the system. Again let me illustrate:

I buy a piece of land from the registered owner, John Smith, pay him for it in good faith, and take and register the transfer. The fact is that William Jones was the previous owner, and that the transfer from William Jones to my vendor, John Smith, was a forgery. Had these dealings been under the ordinary registry system, Jones would simply say to me: "Move off the land." On my protestation that I had bought and paid for the land in good faith from Smith, he would simply answer: "Smith had nothing to convey to you." The forged transfer to him carried nothing, and I would be left with such personal remedy as I could enforce against Smith.

Under The New System

But under the new system I have and keep the land. This time I do the talking. I say to Jones: "I am not interested in the transfer to Smith. Smith had a certificate of title, and I bought from him in good faith." The dealings with Smith ensure me certainty of title but at the expense in the first instance, in this case, of Jones. I would also be able to say to Jones that although the system had given me certainty of title, it had not done so at his expense entirely. It had recognized that there must be some reasonable substitute for the right that Jones had under the ordinary English law, namely to assert his title unless it is validly taken away from him. I would tell him that if he could not recover from Smith, the man who did him the wrong by the forging of the transfer, that he could eventually recover the value of the interest he has lost from the Assurance Fund.

This is just an illustration of one of the multitude of the possible cases which I must trust however, has illustrated clearly to you what I meant by the losses arising by reason of the system.

There is no question but that the attitude adopted by governments in this connection makes a very real difference in the value of the system as a working proposition. If the registrars are instructed to avoid even the most microscopic legal risk for the sake of the protection of the Assurance Fund, then the system may become burdensome in its operation. This is particularly the case where it is proposed to introduce the system upon an old system such as exists in the older parts of the Province of Ontario, where every title has a long legal history. While I am not advocating recklessness, I do think that the possibility of using the fund freely for this last named purpose which I have outlined should be cheerfully faced in connection with bringing old titles under the operation of the act. In practice solicitors are constantly finding cases where we say that legally there is a possibility of defect; practically there is none. It is in such cases that I think the Assurance Fund may be taken into consideration.

Surety of Title

Before branching off into this digression on the Assurance Fund I was discussing the matter of certainty of titles under the system. I am pointing out in the illustration taken that all prior interests in the land were merged in the certificate of title of the registered owner, on the strength of which the mortgagee makes his advance, and in favor of the mortgagee that certificate of title in the absence of fraud produces an absolutely good title.

There are, of course, what are called the implied incidents of the certificate of title, to which the title is subject without special mention, such as leases not over three years, right of expropriation, etc. In addition to those, vigorous objection has been made to the impairment of the value of the certificate by reason of various charges that have been allowed in ahead of the mortgages, such as telephone debenture indebtedness, hail, insurance and other municipal charges, which are given priority in fact by being made part of the taxes—at least that is the way it is done in Saskatchewan, so far as it is done. And last, but by no means least, I mention seed grain and relief liens, first under the acts of 1908, and then under the acts of 1915, through which latter the Dominion Government made advances. While of course, it is undoubtedly true that such legislation does impair the completeness of the certificate of title, the creation of such prior charges is in no way whatever due to any shortcoming of the Torrens System. It merely happens that they have been created where the Torrens System was in operation. They might just as well have been created and made charges on the land in the same order under any other system. It has never been claimed that the Torrens System is armor-proof against the interference of legislatures. Whether or not the creation of these priorities was wise, is a question in regard to which we have our own opinions. The seed grain question in particular is being ably dealt with at this meeting. I therefore, pass over those questions as not specifically coming within the range of my paper.

Matter of Expense

The next evil in our list which the Torrens System was devised to remedy was that of expense. Has the System accomplished its purpose here? Again I will admit that there is a certain discrepancy between what the system might do if allowed free scope and what it has actually done. I think, however, even making that allowance, that undoubtedly the system has created a great reduction in the total expense to the public of conveyancing fees. This expense is incurred in two ways: (1) To the legal profession and conveyancers; (2) To the officials. With reference to the first head, the long and expensive search is abolished. Requisitions on title are almost forgotten. The attendances backwards and forwards to clear up antiquated flaws in titles are no more. The whole title is spread before the prospective purchaser or mortgagee in one short document. He is not interested in its ancient history, and in the opinion of the average layman anyone can understand the present standing of the title as it appears by the certificate of title. Conveyancing forms are short and simple. Anyone, so the public think, can draw them, and in fact the legal profession, to which I belong, feels that in the West the unlicensed conveyancer is one of its grievances. Personally that does not worry me much. If the legal profession has not something to offer the public on its merits, I do not want to have to be legislated into a job, and in actual fact what the profession loses in conveyancing fees through the lay conveyancer it largely makes up in litigation fees arising from his unskillful work. I repeat that it seems to me unquestionable that the simple title and simple legal forms have vastly reduced conveyancing fees, while the fact that each certificate sums up the title, and gives it a new starting point, has completely eliminated the wasteful overlapping in successive searches as each new person acquires an interest and covers once more the same ground.

The other branch of the discussion of expense concerns the fees payable to the legal offices. On this score the system in actual practice in the West does not show up so well. The services rendered, and the results obtained, certainly justify the imposition of larger fees than under the old system. The offices are undoubtedly more expensive to carry on. We require trained officials, and there is a great deal of clerical work. It seems to be a fact however that the Western governments have collected fees which a great deal more than pay for the cost of service, and constitute substantial items of general revenue. There is considerable difference of opinion as to the propriety of making such services sources of revenue. Of course, adhering closely to the scope of my paper, I may again say this is no inherent defect of the system, but a criticism if, it be such, of the policy of our Western Governments. As a matter of interest however I have prepared certain tables, showing from the public accounts of Manitoba, Saskatchewan, Alberta, and Ontario, the relative cost of the service, and the actual expense of the same. With reference to Saskatchewan this statement covers the period previous to the heavy increases in the tariff which came into force on the first of May, 1920. The spread between receipts and disbursements will be much greater now given the same amount of business.

In Western Canada

Under the heading of expense should also be considered the matter of the expense of the introduction of the system. Fortunately, in the West, in what is now Saskatchewan and Alberta, it was introduced under nearly ideal conditions. The Territories Real Property Act of the Dominion came into force on the first of January, 1887, and being the only system of registration, was to all intents and purposes compulsory. The amount of land granted prior to that and covered by the old registry system, which had been in force for a few years, was very small indeed compared to the area of the provinces, and since that date all land granted from the Crown automatically came under the System.

In Manitoba the ground was not quite so favorable, to such an extent that the two systems, the old registry system and the new Torrens System were left to flourish side by side. The new system has however been constantly gaining on the old, its advantages outweighing such difficulty and expense as there is in bringing under the system the comparatively simple titles there.

In the older provinces such as the older part of Ontario, where there is a land titles act, its scope of operation is so restricted as to be almost negligible, and in the consideration of the general question of the applicability of the system to the province as a whole, expense is a most serious item.

RIGHT TO MAKE WILLS HAS BEEN WON FOR THE PEOPLE BY CENTURIES OF STRUGGLE

Continued from page 17.

company. The advantages of a trust company as executor and trustee are: Financial responsibility; continued existence (the individual named as executor may die—a corporation has unlimited existence); accumulated experience; financial judgment; an impartial viewpoint; a personal viewpoint (the trust company's officers can bring to those interested all the advantages that come from contact with an individual); economy (in many states trust companies are not required by law to furnish bonds).

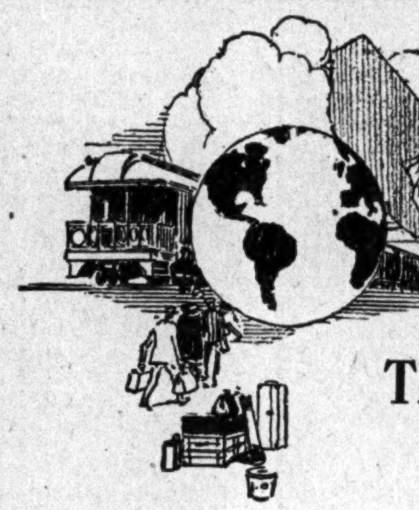
There are cases when it is advisable to join with the trust company in the administration of an estate some individual who has an intimate knowledge of the business or family relationship of the maker of the will. Such an individual may be his wife, or his attorney who has handled his personal affairs for years, or a younger managing partner, or a competent chief clerk of a business.

Many whose genius lies in the making of money have little ability to conserve it. There is, therefore, a method by which a suitable portion of such money and property can be placed beyond probability of loss and yet be used for the benefit of the members of a family. It is known as a voluntary or living trust, because it takes effect during the maker's lifetime.

A few of the representative objects accomplished by the creation of living trusts are: Income payable to a wife during her lilfe; income payable to the creator of the trust for the benefit of children; income payable direct to children; income to be used for the education of an individual; income payable to the creator of the trust for his own benefit; income payable regularly to a charity; to provide for a marriage settlement; to provide an income for intended husband or wife; to provide income under a divorce decree or separation agreement; to collect and dispose of life insurance.

As trustee under living trusts, the trust company offers the same advantages which it offers as trustee under a will—the same consensus of trained judgment, the same resources and skilled organization familiar with the legal provisions and other problems of trust handling, the same economies and the same quality of continuous existence. It was recognition of the need of such professional services that brought the trust company into existence.

The trust company is to-day, therefore, the recognized medium for the execution of trusts of every character. Strict laws, born of wisdom and experience, govern its operation. Its responsibility is clearly defined and not to be evaded and is safeguarded and guaranteed by its financial standing. Its specialized facilities and time-tested methods insure efficiency in the care and handling of matters entrusted to it. Its reputation and continued success are dependent upon its well judged execution of all trusts. Because of the safeguards and efficiency afforded by the modern trust company the field of its service has remarkably expanded. It is enabled to meet every trust requirement of the individual through life and to consummate his wishes after his death.



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Foreign Offices

- GREAT BRITAIN
  - London
  - Liverpool
  - Southampton
  - Edinburgh
  - Glasgow
- FRANCE
  - Paris
  - Bordeaux
  - Havre
  - Nice
  - Marseilles
- EGYPT
  - Cairo
- ITALY
  - Rome
  - Naples
  - Genoa
- BELGIUM
  - Antwerp
  - Brussels
  - Ostend
- HOLLAND
  - Rotterdam
- SCANDINAVIA
  - Copenhagen
  - Christiania
  - Stockholm
- SWITZERLAND
  - Lucerne
  - Zurich
- GERMANY
  - Berlin
  - Bremen
  - Hamburg
  - Coblenz
- SOUTH AMERICA
  - Buenos Aires
  - Montevideo
  - Valparaiso
- THE ORIENT
  - Yokohama
  - Koke
  - Hong Kong
  - Shanghai
  - Manila, P. I.
- CANADA
  - Montreal
  - Toronto

AMERICAN EXPRESS COMPANY
65 BROADWAY, NEW YORK
29 Luckie Street, Atlanta, Ga. Market Street at Second, San Francisco, Cal.
Ninth & Locust Streets, St. Louis, Mo. 32 North Dearborn Street, Chicago, Ill
231 St. James Street, Montreal, Canada

THE ABNORMAL SITUATION REGARDING FUNDS FACED BY THE MORTGAGE COMPANIES

The Conditions Leading Up to Legislative Action in Ontario

NORMAL AGENCIES ARE BEST

Flow of Foreign Moneys Has Failed—British Capital is Needed at Home—Capital Must Be Secured From Other Sources

By V. EVAN GRAY, M.A., LL.B.,
Registrar of Loan Corporation in Ontario.

THE loan corporations, trust companies and life insurance companies, individuals and estates did, before the war, supply successfully the demand for mortgage monies in Canada and it was only the impossibility of their meeting the present extraordinary demand that has forced the public and governments to seek extraordinary measures to meet the prevailing conditions. Extraordinary measures are, of course, necessary and proper to meet any situation of this kind but it is, in my opinion, more important to avail ourselves, in as complete a manner as possible, of the agencies which belong in normal conditions to the particular purpose to be served.

In so far as the life insurance companies are concerned in the situation, we find a realization of their opportunity and obligations toward the mortgage loan requirements of the country. I am convinced that the life insurance companies will substantially assist in solving our problem for the supply of mortgage loan monies. They are fortunate in being able to do so without the necessity of any departure from their regular principles and methods of business operation. In so far as the supply of funds available is concerned, war and post-war conditions have resulted in largely increasing the funds of the life insurance companies and it is therefore, only necessary for them to divert a larger share of these monies to mortgage loan requirements.

Effect of War Conditions

The normal sources of monies for the Loan and Trust Companies have however, been restricted, not assisted, by war conditions and they have not been able to maintain their relative position when compared with other financial institutions in securing monies for their purposes. In 1900 the monies by loan and trust companies from the Canadian public through deposits, debentures and guaranteed trust investment receipts, represented approximately 10 1-2 per cent. of the total amount of the savings of the Canadian people entrusted to banks, insurance companies, loan and trust companies. Of the remainder 67 per cent. was in the custody of the banks and 22 1-2 per cent. in the custody of the insurance companies. In 1919 we find the percentage in the care of the loan and trust companies reduced to 4 per cent. of the total, a very clear indication of the failure of other financial institutions of Canada.

Our loan and trust corporations have in the past thirty years sought their monies for lending purposes in Great Britain, France and Holland. In 1914 there was in the hands of the Canadian Loan Corporations approximately $40,000,000 of monies received from Great Britain and about $38,000,000 of money had been received from France by the Credit Foncier Franco-Canadien.

Failure of Flow of Foreign Monies

At the end of 1920, the Credit Foncier Franco-Canadien had retained almost unchanged, the amount of its investments of French money, due probably to the long term period for which their debentures are issued, but British investors have withdrawn from Canadian loan companies more than $14,000,000 or approximately 35 per cent. of the total investment.

The reasons for the withdrawal of this large sum of British money are, of course, familiar to you. There is the temptation to the Canadian loan company to liquidate its obligation in Great Britain at a time when sterling exchange enables this to be done with profit to the company. This same exchange condition prevents the sending out of new monies to Canada for investment.

The need of British money for reconstruction purposes at home is of course very great and this need is reflected in the rates of interest which are offered locally to British investors upon unquestioned security. It is of interest to note that in London the current rate of interest paid on bank deposits is 5 per cent. and that recent issues of government securities yielded, in the case of short-term 6 1-2 per cent., and long-terms 5 3-4 per cent. The corporation of the city of London recently issued bonds—5-15 years to bear a minimum rate of interest of 5 per cent. and a maximum rate of 7 per cent. These bonds at the present time, bear interest at 7 per cent. A loan of the city of Paris, issued locally in October last, bearing interest at 6 per cent., sells at the present time at about 94. The Credit Foncier of Paris made a recent issue of long terms debentures at 6 per cent. plus premiums giving a total cost of approximately 7 per cent. With such opportunities of remunerative investment immediately at hand, it is not surprising that it has been very difficult to retain in Canada a substantial part of the money invested in the sterling debentures of Canadian loan companies.

My information is that recent renewals of these sterling debentures are being solicited by the Canadian companies at an interest rate of 6 per cent. plus commission to Scotch agents. It is only fair to the companies to say that some of them are able even in face of the conditions mentioned to renew substantial amounts of their debentures at these rates.

The flow of monies which should, in normal circumstances, have come from Great Britain to Canada through the medium of loan corporations, has therefore been reversed and I will show you in a moment, that this reflux has absorbed a great part of the increased production of the Canadian field of loan and trust corporation money.

Canadian Field For Debentures

In viewing the conditions of the Canadian field for loan and trust company money, we find similar conditions of difficulty for the companies. The exploitation of the Canadian field by the Victory loan campaigns and tremendous issues of provincial and municipal securities at attractive rates of interest, have put loan company debentures and guaranteed trust investment receipts in the shade. It is impossible to sell debentures and trust company investment receipts, in large amounts, in the Canadian field at a price which will enable the corporation to profitably lend its money to mortgage borrowers at the current rates of interest. Currency debentures of Canadian loan corporations on the 31st December last amounted to approximately to $28,000,000, an increase of about $8,500,000 in a six-year period and much of that relatively small increase was secured by conversion of deposit accounts into debenture monies.

The loan corporations which receive deposits have shared in some degree, though admittedly not in their due proportion, in the extraordinary increases available in monies of this class. During the seven-year period under reveiew, there has been an increase in the amount of deposits received by loan companies of approximately $9,000,000.

In recapitulation, therefore, of a seven-year period, we find that loan corporations have received an increase in deposits of $9,000,000, an increase in currency debentures of $8,500,000 and out of this $17,500,000 of new money, they have repaid to Scotch investors more than $14,500,000. To show that this tendency has been continued right to the present date, and was not a special feature of the war period, I may add that during the year 1920, the increase and deposits amounted to $3,400,000, the increase in currency debentures was $2,500,000 and of this $5,900,000, $5,770,000 was repaid to sterling debenture holders.

This showing can only be described as startling. It is not surprising that the public which was seeking vainly for new mortgage monies from the loan corporations should blame these corporations for their failure to function in meeting the extraordinary demand for mortgage monies. Among very well informed persons in Ontario, the view was held and stated that the day of the loan corporation was passed or ending, and that they could not expect to recover their place in the Canadian finance as an extremely important element in the distribution of credit.

I am happy to say that a greater faith was found among loan and trust corporation men. They for the most part regard the conditions exhibited at the present time as temporary and they have looked forward with optimism to the recovery of their position. Fortunately, too, there is among the loan and trust corporations, a realization of the necessity of adapting their policy and practices to the changed conditions and instead of sitting back and waiting for a possible reversion to former conditions they have acted on this realization with the assurance that even in these extraordinary circumstances, the loan corporations have an opportunity to fulfil their normal function.

New Fields of Operation

It is very easy, by process of elimination to see through what channel that opportunity must come. The sterling debenture field is closed. The Canadian debenture is not likely to be highly productive unless interest rates are substantially increased. There remains, therefore, the field of deposit monies to be developed by the companies.

It is undoubtedly true that the deposit business of loan corporations has not been regarded as of great importance in former years. Some of the loan corporations have abstained entirely from receiving any monies on deposit, partly because there was in Great Britain a prejudice against deposit taking institutions, and partly because there was no need to develop this field when British monies were obtainable at such satisfactory interest rates. But the best opinion among loan and trust corporation men is that the field of the deposit business is now the most important field to which these companies are to look for substantial accessions of new money for mortgage loan purposes.

The conclusion of the Ontario Government upon the facts which I have outlined, was simply that the Legislature should assist in any reasonable manner in extending the field of loan and trust companies and facilitating their proper functioning so long as the public interest was safeguarded in the conduct of these institutions, and so long as the institutions continue to deserve the confidence of the public. These conclusions were expressed in the legislation enacted in Ontario at the recent session.

Safeguarding Public Interest

These conclusions are represented in Ontario legislation which provides for the limitation of forms of investment for loan and trust company funds and by the provisions of the recent bill which relate to the inspection and supervision of the business of loan and trust companies by the Ontario department.

As a result of an experience which had admittedly certain unhappy incidents, Ontario has closely prescribed the limits of class of investment in which loan and trust corporations may invest their funds. Generally speaking the authorized securities are restricted to mortgages upon real estate, Government and municipal bonds and debentures, bonds and paid-up stock and other securities except bills of exchange and promissory notes of any chartered bank or Dominion or Provincial incorporation subject, however, to the following restrictions imposed in 1919:

The investment by Trust Companies of trust funds is limited to securities authorized for investment of private trustees.

OFFICERS OF MORTGAGE ASSOCIATION

W. E. Long, of Credit-Forncier, Toronto, Is New President,

W. E. Long, of Credit-Foncier, Toronto, Is New President

At the annual meeting of the Canadian Mortgage and Investments Association at Winnipeg the following officers were elected: President, W. E. Long, Toronto, Credit-Foncier Franco-Canadien; First Vice-President, J. B. McKechnie, Toronto, Manufacturers' Life Insurance Company; Second Vice-President, J. C. Breckenridge, Toronto, National Trust Company.

Executive Committee: Insurance—C. S. Macdonald, Toronto, Confederation Life Association; Chas. Ruby, Waterloo, Mutual Life Assurance Company of Canada; G. B. Woods, Toronto, Continental Life Insurance Company; F. G. Cope, Montreal, Sun Life Assurance Company of Canada; G. F. Weston, Toronto, Imperial Life Assurance Company; Loan—W. C. Noxon, Toronto, Canadian Loan and Agency Company; A. B. Fisher, Toronto, Centrol Canada Loan and Savings Company; Joseph Campbell, Winnipeg, Trust and Loan Company of Canada; M. Aylsworth, London, Huron and Erie Mortgage Corporation; T. Taggart Smyth, Montreal, Montreal City and District Savings Bank; Trust—S. Macdonald, Hamilton, Mercantile Trust Company; J. K. Pickett, Toronto, Union Trust Company; W. G. Watson, Toronto, Toronto General Trusts Corporation; E. B. Stockdale, Toronto, Trusts and Guarantee Company; R. P. Jellett, Montreal, Royal Trust Company.

John Appleton as secretary continues in active charge of the association's affairs.

The Real Estate Loan Company
OF CANADA, LIMITED
Established Under Dominion Charter, 1883

THE debentures of this Company are issued on an especially conservative basis, being limited by by-law to the amount of the fully paid capital and reserve of the Company. As this Company does not take deposits, its debentures are a first charge upon the whole assets of the Company.

Additional information may be obtained from the head office of the Company, 2 Toronto Street, Toronto, or from the Financial Agents in Scotland.

Directors:
E. DOUGLAS ARMOUR, K.C., President.
EDMUND WRAGGE, M.I.C.E., Vice-President.
M. H. AIKINS, M.P., WILLIAM A. COOKE.
H. W. MICKLE
E. L. MORTON, Manager.
MANITOBA AGENT:
ALEXANDER BAIN, Winnipeg, Man.
BRITISH COLUMBIA AGENTS:
LONDON & BRITISH NORTH AMERICA CO., Ltd.,
Vancouver, B.C.
ALBERTA AGENTS
KIRKPATRICK & SCARTH, Ltd.,
Edmonton, Alta.
FINANCIAL AGENTS IN SCOTLAND:
MARTIN CURRIE & CO., C.A.,
Edinburgh.
BANKERS IN CANADA:
IMPERIAL BANK OF CANADA.
BANKERS IN SCOTLAND:
THE NATIONAL BANK OF SCOTLAND, Limited.

Canadian Guaranty Trust Company
BRANDON, MANITOBA

Authorized Capital: - - $2,000,000.00
Subscribed Capital: - - $596,050.00
Paid-up Capital and Surplus: $311,390.65

Executors
Administrators
Trustees
Authorized Trustee under the Bankruptcy Act.
Assignees
Guardians
Liquidators
Agents

John R. Little
Managing Director

BRANDON, MAN. SWIFT CURRENT, SASK.

You Employ a Specialist

—when you require medical or legal assistance. Why? Because you recognize the necessity of skill and training.

It is even more important that you employ a specialist in the management of your estate after you are gone. A strong and responsible Trust Company will bring to your estate the experience gained through years of specialization in trust matters.

You cannot afford to turn your affairs over to someone whose first experience must be gained at the expense of your property.

By naming a Trust Company, you can be sure that your cherished purposes will be faithfully carried out and your estate carefully safeguarded.

THE
TRUSTS AND GUARANTEE
COMPANY LIMITED
BRANTFORD **TORONTO** CALGARY
JAMES J. WARREN
PRESIDENT
E. B. STOCKDALE
GENERAL MANAGER

POLICY OF TAKING DEPOSITS BY MORTGAGE COMPANIES PROVEN SAFE AND SOUND

Experience With Loan Corporations in Ontario For Fifty Years

SOME THEORETICAL OBJECTIONS

Are Effectively Answered by Competent Authority—How Standards of Liquidity Are Maintained Satisfactorily

By V. EVAN GRAY, M.A., LL.B.,
Registrar of Loan Corporation in Ontario.

THE legislation adopted in Ontario to extend the deposit-revenue powers of the mortgage companies could not have been recommended if the Department had not been satisfied that the development of the deposit business was consistent with the character of these corporations, that is, that it was a proper form of activity for an institution whose monies are chiefly invested in mortgage loans. The question is often raised as to the propriety of an institution receiving money on demand and lending it for a fixed term. There can be no doubt that there is to the layman something anomalous in the idea, that the creditors of the company have a right at any time to demand payment of their money when that money is invested by the corporation in securities which have a fixed term to run. I venture to express the opinion that it is quite incorrect and unfounded and in support of that opinion I call to witness actual experience with the deposit business.

Ontario Loan Corporations have, for over fifty years, been receiving monies on deposit, withdrawable by cheque and investing that money in mortgage loans for fixed terms of five years or more, and never in that long period, has an Ontario Loan Corporation failed or been forced into liquidation by reason of its inability to meet withdrawals of deposit monies from bonafide mortgage investments.

Experience in the United States

In the United States, mortgage loans are a favored province of investment for savings bank institutions. Recent figures from the New York State Banking Department indicate the tremendous extent of this business in the United States. New York State savings banks which do a general commercial business consistently invest from 50 per cent. to 65 per cent. of their deposit monies in mortgage loans. Official reports show the amount of mortgage loans held by these institutions to have increased from $857,000,000 in 1911 to $1,227,000,000 in 1920. Figures for 18 States show that 637 mutual savings banks of the United States have, out of a total of $5,500,000,000 of deposits, invested more than $2,250,000,000 in mortgage loans.

As for the danger of a run on deposits the history of financial institutions shows that solvent institutions very seldom experience runs and if they do, are quite able to meet them. In an analysis made of the causes of failure of national banks of the United States for the 56 years up to and including the year 1919, it was shown that out of 589 cases of such failures there were only nine instances in which a bank was closed by a run or in anticipation of a run by depositors and doubtless in those nine cases it would be found that the run was caused by the insolvency or the anticipated insolvency of the bank concerned.

On the other hand, one commonly hears vague reference to the Australian disaster of 1891-1892, alleged to have been occasioned by sudden demands from abroad for repayment of demand or short-term monies loaned by land banks. It was necessary to carefully investigate this allegation and that investigation discloses the fact that the unhappy experience of Australia was directly attributable to an orgy of unsound investment and speculation in land, both urban and rural, in Australia which destroyed the essential basis of soundness and confidence in Australian banking institutions. The experience does not call in doubt the principles which I have stated.

Answers to Theoretical Objection

This abundant experience with mortgage loans for deposits should be sufficient to answer the person who raises the objection I have mentioned. But the theorist always demands a theoretical answer to his case, and it is quite possible in these circumstances to justify my conclusion by an analysis of the theoretical principles upon which a deposit business is based. A demand deposit is very similar to an insurance company's undertaking. It rests for its security upon the law of average. No one supposes for an instant that the chartered banks of Canada could repay in full in legal tender their savings depositors even after thirty days' notice had been allowed the bank. As a matter of fact, there is only a fraction of that amount in currency in circulation in Canada to do so, and it is inconceivable that more than two billion dollars could be withdrawn by chartered banks from their investments to answer any such demand. There is no more likelihood that the chartered banks of Canada will meet such a demand than there is that all the policyholders of Canadian life insurance companies will die at the same time or that all the property insured against fire in Canadian companies will be simultaneously destroyed. The security of banks, life insurance companies, fire insurance companies and loan corporations rests upon the same science of probability in different phases. The fact is that not all the depositors in loan corporations will demand their money simultaneously. Therefore, it is only necessary to establish that loan corporations will be able to provide a sufficient sum of money at any point of time to meet all reasonable requirements of the situation.

Put concisely, the investigation of the department has demonstrated the following fundamental facts in reference to the security of mortgages in improved real estate.

1. They are readily saleable; witness a sale recently made in Toronto by a discontinuing Canadian company of one block of about four million dollars of first mortgages; witness the recent experience in North Dakota, where the liquidator of suspended banks found that the institutions which had been subject to sudden demands for payment had disposed of their mortgage investments so readily and so completely that on taking over the assets of the suspended banks he found no mortgages remaining among their assets; witness these words of David M. Dunning, president of the Auburn Savings Bank of Auburn, N.Y., speaking in May last at the annual convention of the Savings Banks Association of the State of New York: "They (mortgages) are liquid in time of trouble without serious loss. We found this feature especially desirable during the troublesome period at the outbreak of the World War in 1914. Of late years savings banks, which awoke some years ago to the fact that mortgages as an asset had many advantages over bonds have had good reason for congratulation. At the Auburn Savings Bank we have succeeded after some years of arduous labor in transforming our investments so that over 65 per cent. of our deposits invested in bonds some years ago we now have nearly that percentage invested in mortgages, during which time our deposits have increased from four million dollars to seven million dollars."

2. That mortgages made for a five-year term return very substantial payments of principal annually. The returns to my department for the year 1919 show that in that year loan companies taking deposits and doing business in Ontario which had on deposit a total of about $26,000,000 received as repayment on account of their mortgages over $17,000,000 dollars of principal, which together with the interest, made a total turnover on mortgage account of approximately $22,500,000 in a single year.

3. That the improvement in the system of registration of land titles and mortgages has so facilitated the sale of mortgages that they are now easily transferable without delay, especially in the Western Provinces of Canada in each of which, some form of the Torrens system of land titles is in effect.

Statutory Standards of Liquidity

It was urged that the Ontario Legislature should require companies receiving monies on deposit subject to withdrawal on demand, to keep on hand and available cash and liquid securities equal in value to a certain fixed percentage of deposits. The suggested percentages varied from 10 to 25 per cent. of the deposits. The Legislature, I am glad to say, rejected this suggestion.

Considered from the standpoint of the companies the provision could only have caused confusion and embarrassment. In all the discussion of the matter no one was able to suggest a plan which would enable this provision to be properly employed to the advantage of the company or the public because whenever the occasion arose for the use of the funds represented by the requirements they could not be used without infringing the statutory provisions. This was very graphically illustrated when the matter was under discussion before the committee of the Legislature by Mr. Rundle's illustration of a requirement which he said existed in a certain hospital in another country. The hospital had been required by statute or its constitution to keep one bed always empty and available for emergency cases. The intention was entirely laudable, but the result was that there was a useless bed in the hospital. No emergency case could be placed in the bed because of the possibility of it being required for some other emergency case and not being then available, a violation of the law would be the result. The practical effect of the requirement was, therefore, to reduce the capacity of the hospital by one bed.

Furthermore, the prescribing of approved liquid securities to be held as an auxiliary to the cash reserve was bound to create difficulty and dissatisfaction. Many companies had definite credit arrangements with their bankers designed to meet contingencies of any unusual demands. Such a line of credit would not, of course, be recognized in any statutory requirement for liquidity, yet it was most useful and desirable.

The suggestion made to the Ontario Legislature was that Government and municipal bonds should be recognized as liquid securities. It is, nevertheless, entirely true that some other forms of securities are more readily saleable in difficult market conditions than are some municipal debentures.

From the standpoint of the public, the statutory requirement of liquidity creates a sense of security not justified by the facts. The public comes to rely upon that provision as an assurance of adequacy of reserves and when a company represents that it has fulfilled the statutory requirements, the public reasonably assumes that these requirements are an adequate guarantee that the company is in a position to meet the conditions for which it is provided.

Or looked at from another angle it is always the unfortunate experience of the public that the statutory liquid fund never seems to be there at the time it is needed. The only occasion on which the public seeks this necessity is on a crisis in the affairs of the companies, and it is always the experience that these funds were exhausted in the efforts of the company to avert the crisis before the public became generally aware of the condition of the company.

From the standpoint of the Government the statutory liquidity results in placing upon the Government or Legislature the responsibility which the directors of the companies should assume. If disaster should come from failure of any loan corporation to provide adequate liquid funds it should not be open to the management to allege that they have fulfilled their responsibility by keeping the statutory requirement and thus place upon the Government or Legislature a responsibility to the public of not having prescribed a sufficiently high standard.

It is, of course, recognized also that there are seasonal fluctuations in the requirements of the companies to meet demands on deposits, and that particular circumstances of each company, such as locality, special clientele and industrial conditions affect the requirement. An excellent illustration of this is our experience with the recent Victory Loan flotations, in which very large withdrawals of deposits were made for the purpose of meeting payments of Victory Bonds subscriptions.

No arbitrary standard can provide for unforeseen contingencies. In the very nature of things the two are inconsistent. Anything unforeseen and unknown cannot possibly be provided for by an arbitrary standard.

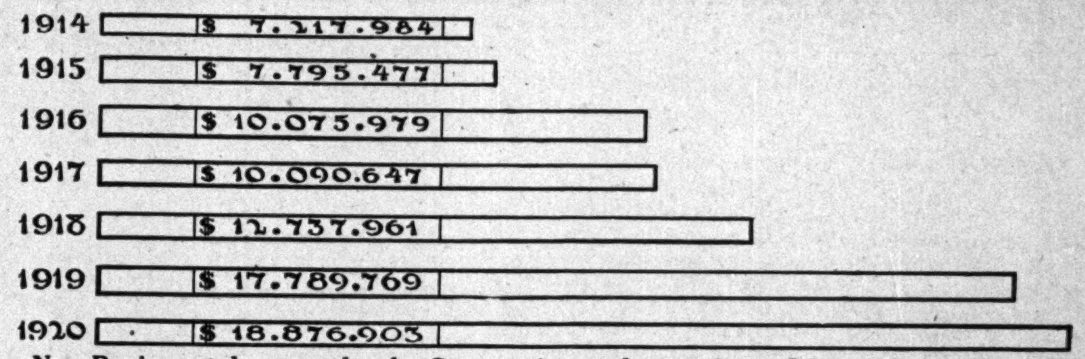
Dominion legislation has recognized the deposit business as a proper department of loan and trust corporation authority. The same view was upheld by the Hon. Mr. Justice Murphy, of the Supreme Court of British Columbia in the Dominion Trust Company's case.

MORTGAGES OF ONTARIO LOANING ORGANIZATIONS

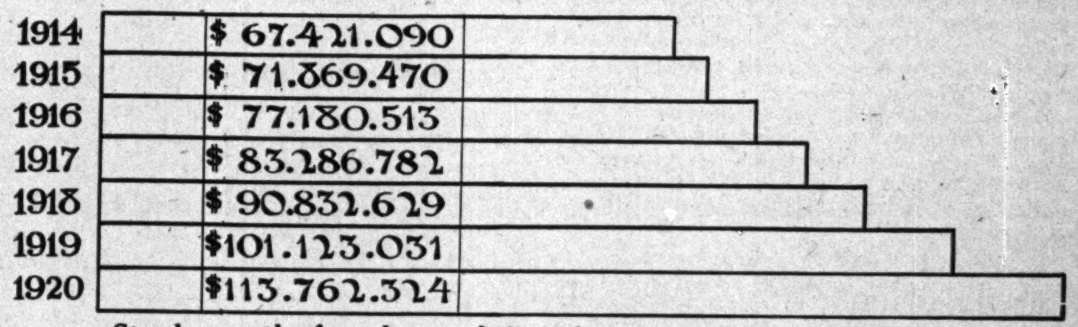
Summary of Mortgages as at 31st December, 1920—Classified as to Province of Forty-two Loan Corporations Registered in Ontario.

Provinces	Mortgages
Ontario	$ 58,426,154.46
Manitoba	21,733,360.58
Saskatchewan	24,468,981.83
Alberta	11,937,907.74
British Columbia	6,223,912.93
Quebec	17,995,459.02
New Brunswick	1,042,658.43
Nova Scotia	2,116,732.61
Prince Edward Island	1,615.53
Newfoundland	466.35
United States	12,248.21
	$143,959,497.69

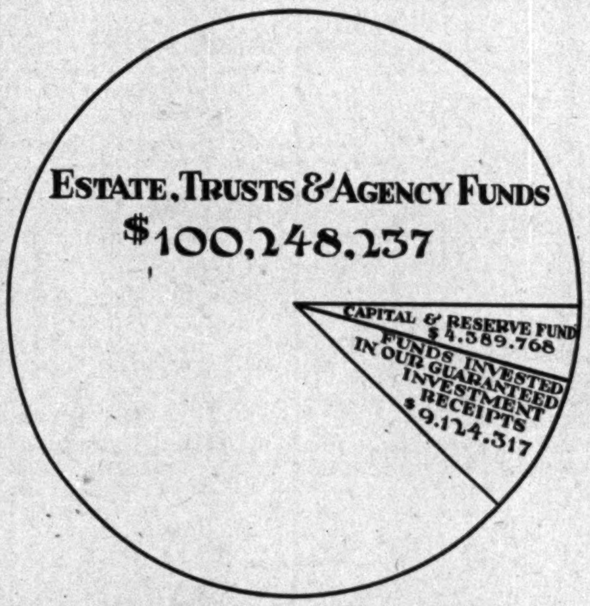
Seven Years' Growth



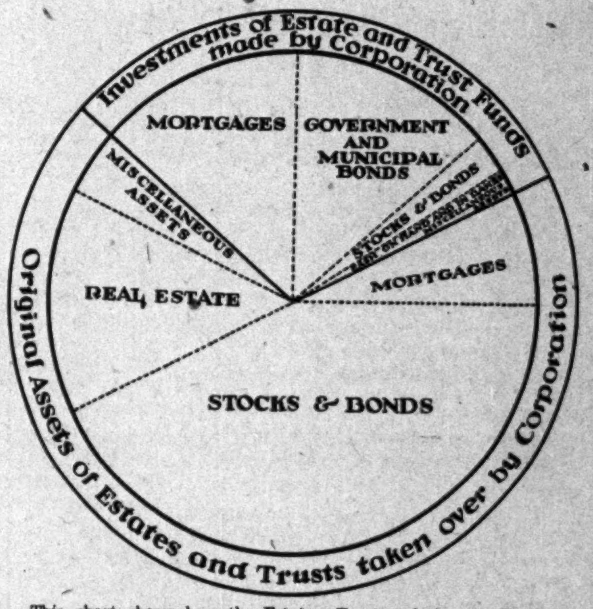
New Business taken over by the Corporation each year during the past seven years



Steady growth of total assets being administered by the Corporation is shown by the above chart



The proportions of the three Funds which make up the total assets of the Corporation are shown in this chart. It will be seen that the great bulk of our assets consists of Estates, Trusts and Agency Funds.



This chart shows how the Estates, Trust and Agency Funds are made up. The lower part of the circle shows the large amount of original assets held by us and what these consist of, whilst the upper part of the circle shows the proportion of Trust Funds which we have invested and the class of securities in which these investments have been placed.

The Toronto General Trusts Corporation
ESTABLISHED 1882
Head Office: Toronto

Branches: Ottawa, Winnipeg, Saskatoon, Vancouver

The British Mortgage Loan Company of Ontario
Stratford, Canada
Established 1877

Capital Paid Up - -	$ 500,000
Reserve Fund - -	460,000
Total Assets Over - -	3,357,000

J. W. SCOTT, President
HON. NELSON MONTEITH, Vice-President J. A. DAVIDSON, Managing Director

THE HAMILTON PROVIDENT AND LOAN CORPORATION
Established 1871
Cor. King and Hughson Streets, Hamilton, Ontario
George Hope, President
Joseph J. Greene, Vice-President

Directors:
Lieut.-Col. H. L. Roberts W. A. Wood
Stanley Mills Lieut.-Col. Wm. Hendrie

CAPITAL SUBSCRIBED - - -	$2,000,000.00
CAPITAL PAID UP - - - -	$1,200,000.00
RESERVE & UNDIVIDED PROFITS	$1,315,587.70
TOTAL ASSETS - - - - -	$4,800,104.82

DEBENTURES issued in sums of $100—and upwards, for one to five years, at highest current rates.
SAVINGS DEPARTMENT—Deposits received and interest allowed on DAILY BALANCES. Withdrawable by cheque.
TRUSTEES AND EXECUTORS are authorized by by-law to invest Trust Funds in the Debentures and Savings Department of this Corporation.
MONEY TO LOAN on productive property.

D. M. CAMERON, General Manager

MORTGAGE INVESTMENTS BY THE LOAN COMPANIES SHOWED FURTHER EXPANSION IN 1920 AND THE ACTIVITIES OF TRUST COMPANIES INCREASED

Deposits of Mortgage Companies Showed Some Increase But Funds Secured From Sale of Debentures Were Curtailed—Six New Trust Companies Submit Reports

FORTY-NINE of Canada's leading loan organizations and twenty-nine trust companies have this year contributed their annual statements to the Annual Loan and Trust Review Number of The Financial Post. The Oxford Permanent has been absorbed by another company and several small mortgage companies have not sent in their statements this year. On the other hand, there are six new trust companies listed. These figures as presented and analyzed permit an interesting review of the whole situation as affecting the mortgage loan companies.

The total assets of the loan companies reviewed show some contraction as compared with the previous year. This has not affected investments in mortgage loans, which at $178,500,000 show an increase of about $5,000,000, but considerable reductions are recorded in cash holdings and miscellaneous loans. Deposits show a considerable increase, but there is some reduction indicated in debentures outstanding. Following is a summary of the important totals of assets and liabilities of the loan companies:

Assets

	1918	1919	1920
Mortgages	$169,228,198	$173,506,657	$178,522,397
Other loans	11,443,137	12,267,647	7,409,452
Securities	34,292,435	40,041,672	39,432,405
Real estate and prem.	8,033,552	8,419,581	11,260,569
Cash	11,544,137	15,320,696	10,472,251
Total assets	249,904,658	261,365,222	258,894,960

Liabilities to the Public

	1918	1919	1920
Deposits	$ 24,754,576	$ 28,136,846	$ 30,786,015
Debentures	110,846,780	114,561,952	113,196,718
Total	139,311,976	147,793,169	145,543,473

Liabilities to the Shareholders

	1918	1919	1920
Capital	$ 66,631,498	$ 69,790,931	$ 68,886,056
Reserve	36,643,221	35,921,892	36,503,412
Other liabilities	8,292,692	9,354,148	8,920,704

Trust Companies' Great Expansion

The remarkable growth of the Canadian trust companies was continued in 1920 and six new companies were successfully launched. The following summary is an effective indication of the fact that more and more the administration of estates is passing into the hands of these companies in preference to the old custom of appointing private executor:

Trust Companies' Investments.

	1918	1919	1920
Capital account	$ 39,915,003	$ 42,921,025	$ 46,092,845
Guaranteed account	43,148,045	44,073,611	41,765,186
Estates	463,715,848	519,998,357	571,099,895
Total	$546,778,898	$617,794,068	$667,915,411

Explanation of Analysis

In order to make the presentation of the figures from the different earnings statements as uniform as possible, for the purposes of making comparisons, a new standard form has this year been adopted, and in order to conform to it, it has been necessary, in some cases, to make changes in the classification of earnings from the company's own report. In the analyses which follow the plan has been in all cases to reach the actual earned profits by deducting from interest income on debentures and deposits expenses, commissions, fees, taxes (including war taxes), and other charges that should be deducted in order to reach the real profit. To this net sum is added the previous profit and loss surplus, and any extra income, to arrive at the amount available for distribution to the shareholders. War taxes have in the past been deducted from this amount, but it has been thought best to show them before net profits in all cases.

It might be further explained that the percentage of profit on "average capital" is reached by estimating average capital on the basis of dividends paid at the rate given. The ratio of profits to this amount can be readily reached. The "earning rate" is on the amount of funds employed during the year, including the capital paid up, the reserve, and the surplus of profit and loss.

B.C. PERMANENT LOAN CO., VANCOUVER

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$217,726	$204,957	$208,560	$224,729	$254,849
Expenses	$ 41,311	$ 54,003	$ 40,973	$ 51,989	$ 52,950
Interest	103,180	91,482	80,268	67,485	57,945
Taxes	13,198	10,813	10,530	10,566	17,486
Written off	573	500	500	2,900	.....
	$158,212	$156,798	$132,271	$132,940	$128,381
Net profits	$ 59,514	$ 48,159	$ 76,289	$ 91,789	$126,468
Bal. forward	49,031	93,493	128,721	102,903	*104,709
	$108,545	$141,652	$205,010	$194,692	$231,177
Dividends	$	$	$	$	$ 74,063
Int. on stocks	5,051	2,930	2,108	1,429	192
Reserve	.....	.....	100,000	28,156	105,596
Contingent	10,000	10,000	.....	5,000	10,000
Balance	93,493	128,721	102,902	160,107	41,326
	$108,545	$141,652	$205,010	$194,692	$231,177

*Less dividend for 1919, paid 15th January, 1920.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 844,297	$146,848	10	19.6	13.5
1913	900,077	132,644	10	15.1	9.7
1914	920,107	84,055	8	9.2	5.4
1915	923,290	53,200	5	5.7	3.3
1916	923,290	57,536	..	6.2	3.6
1917	923,290	45,729	..	5.0	2.8
1918	923,290	76,289	..	8.3	4.3
1919	923,290	91,790	6	9.9	6.5
1920	926,721	126,468	6+2	13.6	7.5

*Per cent. capital reserve and balance at credit of profit and loss at beginning of year.

BRANTFORD TRUST CO., BRANTFORD

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 22,894	$ 23,123	$ 21,548	$ 21,821	$ 23,059
Interest	$ 1,143	$ 1,093	$.......	$.......	$.......
Taxes	757	759	759	745	715
Expenses	1,266	1,317	1,535	1,824	2,097
War Tax	208	204	198	664	206
	$ 3,374	$ 3,373	$ 2,492	$ 3,233	$ 3,828
Net profits	$ 19,520	$ 19,750	$ 19,056	$ 18,588	$ 19,231
Balance for'd	1,292	2,811	4,560	615	1,203
	$ 20,812	$ 22,561	$ 23,616	$ 19,203	$ 20,434
Distribution—					
Dividends	$ 18,000	$ 18,000	$ 18,000	$ 18,000	$ 18,000
Reserve	......	......	5,000	......	......
Balance	2,811	4,561	615	1,203	2,434
	$ 20,811	$ 22,561	$ 23,615	$ 19,203	$ 20,434

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 300,000	$ 18,238	5	6.1	5.9
1913	300,000	17,910	5	6.0	5.8
1914	300,000	19,791	5½	6.6	6.3
1915	300,000	19,507	6	6.5	6.2
1916	300,000	19,520	6	6.6	6.2
1917	300,000	19,750	6	6.7	6.4
1918	300,000	19,056	6	6.3	6.0
1919	300,000	18,588	6	6.3	6.0
1920	300,000	19,231	6	6.4	6.0

BRITISH MORTGAGE LOAN CO. OF ONTARIO,

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$137,314	$144,352	$162,653	$187,280	$211,327
Interest—					
Debentures	$ 28,961	$ 37,922	$ 45,253	$ 55,294	$ 60,841
Deposits	28,507	29,792	27,104	29,336	32,036
Expenses	12,618	10,708	9,871	11,424	14,229
Com. on loans	824	70	.....	695	1,299
Directors' fees	.....	.....	2,124	2,977	3,808
Taxes	2,462	2,876	4,478	4,600	6,562
	$ 73,372	$ 81,368	$ 88,830	$104,326	$118,775
Net profits	$ 63,942	$ 62,984	$ 73,823	$ 82,954	$ 92,552
Bal. for'd	3,558	7,000	3,475	7,298	10,257
Prem. on stock	.....	30,000	.....	.....	.....
	$ 67,500	$ 99,984	$ 72,298	$ 90,252	$102,803
Distribution—					
Dividends	$ 40,500	$ 46,509	$ 50,000	$ 60,000	$ 70,000
Reserve	20,000	20,000	20,000	20,000	30,000
Balance for'd	7,000	3,475	7,298	10,251	2,802
	$ 67,500	$ 69,984	$ 77,298	$ 90,251	$102,802

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 448,430	$ 48,692	8	10.8	6.8
1913	449,450	50,277	8	11.1	6.9
1914	449,650	49,832	8	11.0	6.7
1915	450,000	54,578	8	12.1	7.2
1916	450,000	63,942	9	14.2	8.3
1917	500,000	62,984	10	12.5	7.9
1918	500,000	73,823	10	14.7	8.2
1919	500,000	82,954	12	16.5	9.1
1920	500,000	92,552	12+2	18.5	9.8

BROCKVILLE LOAN & SAVINGS CO., LTD., BROCKVILLE

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$......	$......	$......	$......	$ 55,708
Interest	$......	$......	$......	$......	$ 10,431
Expenses	......	......	......	......	15,024
	$......	$......	$......	$......	$ 25,455
Profits	†$34,689	†$27,954	†$29,160	†$31,199	$ 30,253
Distribution—					
Dividends	$ 17,489	$ 20,954	$ 21,160	$ 21,199	$ 21,308
Reserve	16,000	7,000	8,000	10,000	5,000
Contingent	1,200	.....	.....	.....	.....
Balance	.....	.....	.....	.....	3,945
	$ 34,689	$ 27,954	$ 29,160	$ 31,199	$ 30,253

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	*Earn. Rate
1912	$ 227,682	$ 20,649	6	9.0	7.8
1913	236,292	24,289	6	10.4	9.0
1914	264,776	28,801	6	11.4	9.3
1915	289,405	32,770	6	11.6	9.3
1916	294,910	34,689	6	12.0	9.4
1917	301,810	27,954	7	9.3	7.1
1918	302,510	29,160	7	9.6	7.2
1919	303,043	31,199	7	10.3	7.4
1920	305,443	30,253	7	9.9	7.0

*Per cent. capital reserve and balance at credit of profit and loss.

†After deducting cost of management, commissions, war tax, etc.

BRITISH CANADIAN TRUST COMPANY, LETHBRIRDGE

Distribution of Earnings.

	1918	1919	1920
Earnings	$ 5,983	$11,442	$ 8,384
Expenses	4,293	4,559	5,174
Net profit	$ 1,690	$ 6,883	$ 3,210
*Other profit	....	.....	1,395
Balance forward	1,152	1,844	5,264
	$ 2,842	$ 8,727	$ 9,869
Distribution—			
Dividends	$ 997	$ 2,463	$ 3,342
Reserve	....	1,000	3,000
Contingent	....	....	1,597
Balance	1,845	5,264	1,929
	$ 2,842	$ 8,727	$ 9,869

*Profit from sale of shares.

CANADIAN GUARANTY TRUST COMPANY, BRANDON

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 32,900	*$14,509	*$15,396	*$17,761	*$22,667
Expenses	19,279	.....	.....	.....	.....
Writ. off furnit.	433	433	499	.....	.....
	$ 19,712	$ 433	$ 499	$.......	$.......
Net profits	$ 13,188	$ 14,076	$ 14,897	$ 17,761	$ 22,667
Balance for'd	6,959	5,706	5,099	5,129	5,610
	$ 20,147	$ 19,782	$ 19,996	$ 22,890	$ 28,277
Distribution—					
Dividends	$ 9,441	$ 9,683	$ 9,867	$ 12,279	$ 15,525
Reserve	5,000	5,000	5,000	5,000	5,000
Contingent	.....	.....	.....	.....	2,000
Balance	5,706	5,099	5,129	5,611	5,753
	$ 20,147	$ 19,782	$ 19,996	$ 22,890	$ 28,277

*Expenses deducted.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1914	$ 190,667	$ 17,462	..	9.4	9.3
1915	191,242	21,249	5	11.2	10.2
1916	192,652	13,188	5	9.0	7.0
1917	194,119	14,076	5	7.5	7.1
1918	198,952	14,897	5	7.7	6.8
1919	240,925	17,761	6	8.8	7.7
1920	263,637	22,667	6	9.0	7.5

CANADA LANDED & NATIONAL INVESTMENT CO., TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$436,868	$417,267	$415,795	$445,052	$484,418
Int. in deb.	$191,653	$192,792	$195,258	$207,915	$204,611
Taxes	3,140	3,216	3,548	4,257	3,949

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"Canada Holds the Key"

Agnes C. Laut, in the May 15th issue of MACLEAN'S MAGAZINE, uses figures and facts that prove the future heart-beats of the great oil-burning leviathans of the ocean lanes will depend on the lakes of fuel that will be sucked up from the "basement" of Northwestern Canada. In an article, "Strangling Our Oil Goose," Miss Laut emphasizes:

"Canada has the oil. Canada holds the naval and merchant marine key of America. Edmonton in your generation and in mine will be a second Pittsburg. Great tankers will float out from Prince Rupert to supply the Orient. Tank cars will become as common across our prairies as grain cars. Our National Railways will—"

But you will have to read this talented author's article to get the picture she visualizes of the future of Western Canada when the development of oil resources of the North is at its zenith.

There is a strong hint in this article of Miss Laut's that Canada may "strangle her oil goose" by too much so-called caution. Read MACLEAN'S MAGAZINE, May 15th, and discover how Miss Laut argues that Canada will spoil her chances for control of the oil situation in North America and great wealth—if she *is not careful.*

A Tempting Array of Fact and Fiction

Take a peep into the May 15th issue of MACLEAN'S! Besides Miss Laut's article:—

"He Who Laughs Last-----!"
By Frederick William Wallace
A thrilling short story of action. Setting, the Atlantic coast: characters, deep-sea fishermen. Written by the dean of deep-sea short fiction writers.

"Canada Counts Noses"
By Nicholas North
Did you know that the first systematic census of people and their wealth was taken in what is now the Dominion of Canada in 1666, and that system was later copied by all the greater world nations? Read this article on census-taking in Canada and learn all about it.

"Neighbor's Wooing"
By Francis Dickie
A race-track story in which you can fairly hear the rhythmical hoof-beats of the contending horses as they pound around the course. There's a beautiful, scheming young woman in this story and some plot!

"The Slant-Eyed Man"
By Leslie Howard Gordon
This is the second in the series of "The Gates of Tien T'ze" stories. There's mystery here that keeps you guessing right up to the climax.

"Pawned"
Another generous instalment of **Frank L. Packard's** mystery-romance.

"Peacock's Pinnacle"
By M. O. Hammond
Here's the absorbing story of a director of the Bank of England who "was once a barefoot boy" in the hills of Glengarry. Read how this barefoot lad, who built castles in the air, and by dint of his own efforts, made every dream come true.

"The Legion of the Lost"
By J. L. Rutledge
Why do men disappear? Sometimes it's premeditated action on the part of the individual, committed for the same reason as suicide. At other times it's accident—and then again, there are grim disappearances that are never solved. In real life the long arm of coincidence often plays a role that baffles the detectives.

"Our Lower Prices Bogey"
By Charles Christopher Jenkins
Who's to be blamed for the falling off in demand for certain necessities? What caused the slump in wages in many lines of industry? Read this article in which is described the "Deadly Circle" to blame for the passing depression. The article includes a resume of the situation from leading employers and labor leaders.

"Son of the Clackmannan Giant"
By Stanley R. Hofflund
Do you like prize-fight stories? Maybe you don't care for the brutal sort, but here's one that is different—of a prize-fighter with a soul and a woman at stake.

Review of Reviews

Included with this exceptional line-up of intellectual information and entertainment are the regular features of MACLEAN'S—the "Review of Reviews"—a comprehensive summary of the world's best contemporary short articles:

A British Spy in Soviet Russia
Joseph Shaplen
Drastic Remedies ......G. Bernard Shaw
Shall We Trade With Russia?
Sir Paul Dukes
Digging for the Missing Link.
Lloyd Chapman Andrews
The Little Entente....Walter Littlefield
Finds of the Trawler.....A Trawler Hand

Interesting Views of Canada.
Forbes' Magazine
The Monk Who Imperils India.
Geo. F. Authier
Paying to Sit in the Dark.
Power Plant Engineering
Science Produces Smokeless Coal.
Current Opinion
Head Hunters of Borneo...Carl Lumholtz

Cannibals Watch the Movies.
Martin Johnson
The Black Moses ......Rollin Lynde Hartt
Bolshevism's Most Powerful Foe.
Philadelphia North American
Pigeon Slaughter at Monte Carlo.
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Mexico's Returning Civilization.
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War Tax	10,827	4,450	5,063	11,801	15,081
Management	48,184	46,693	47,729	52,640	56,880
Commissions	11,315	10,404	10,909	16,755	9,022
Patriotic	1,500	1,500	1,000	.....	.....
	$266,619	$259,056	$263,507	$293,368	$289,543
Net profits	$170,249	$158,211	$152,288	$151,684	$194,875
Bal. forward	12,595	39,392	89,151	132,987	26,221
	$182,844	$197,603	$241,439	$284,671	$221,096
Distribution—					
Dividends	$108,450	$108,450	$108,450	$108,450	$120,500
Reserve	35,000	.....	.....	150,000	50,000
Balance	39,393	89,152	132,988	26,221	50,596
	$182,843	$197,602	$241,438	$284,671	$221,096

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,205,000	$169,569	8	14.0	9.2
1913	1,205,000	190,302	9	15.7	8.9
1914	1,205,000	192,288	9	15.9	8.7
1915	1,205,000	199,201	9	16.6	8.7
1916	1,205,000	170,249	9	14.1	7.1
1917	1,205,000	158,211	9	13.1	6.5
1918	1,205,000	152,288	9	12.6	6.1
1919	1,205,000	151,684	9	12.6	5.9
1920	1,205,000	194,874	10	16.2	7.5

CANADA MORTGAGE INVESTMENT CO., TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	*$112,472	$115,403	$104,070	$ 97,800	$105,524
War Tax	.....	3,444	2,521	4,092	1,245
Res. for War Tax	.....	.....	.....	12,170	8,224
Patriotic	.....	1,900	.....	.....	.....
	$112,472	$ 5,344	$ 2,521	$ 16,262	$ 9,469
Net profits	$112,472	$110,059	$101,549	$ 81,538	$ 96,055
Bal. forward	13,229	8,035	5,001	33,118	42,084
	$125,701	$118,094	$106,550	$114,656	$138,139
Distribution—					
Dividends	$ 72,666	$ 73,093	$ 73,431	$ 72,572	$ 74,375
Reserve	45,000	40,000	.....	.....	50,000
Balance	8,035	5,001	33,119	42,084	13,764
	$125,701	$118,094	$106,550	$114,656	$138,139

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*War tax deducted.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,200,000	$100,051	6	8.6	7.1
1913	1,200,484	110,549	6	9.5	7.6
1914	1,208,272	120,972	6	10.1	7.9
1915	1,211,116	121,896	6	10.1	7.7
1916	1,218,227	112,472	6	9.3	6.9
1917	1,223,850	110,059	6	9.0	6.5
1918	1,231,630	101,549	6	8.3	6.0
1919	1,235,954	81,538	6	6.8	5.0
1920	1,239,586	96,055	6	7.7	5.6

CANADA PERMANENT MORTGAGE CORPORATION, TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	*$ 866,126	$ 852,325	$ 824,532	$ 827,984	$ 854,277
Bal. for.	179,526	195,652	197,977	172,509	150,493
	$1,045,652	$1,047,977	$1,022,509	$1,000,493	$1,004,770
Distribution—					
Divs.	$ 600,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000
Reserve	250,000	250,000	250,000	250,000	250,000
Car. for.	195,652	197,977	172,509	150,493	154,770
	$1,045,652	$1,047,977	$1,022,509	$1,000,493	$1,004,770

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*After interest, taxes and expenses and all charges and losses.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$6,000,000	$826,799	9	13.7	8.5
1913	6,000,000	884,626	10	14.7	8.8
1914	6,000,000	876,765	10	14.6	8.4
1915	6,000,000	872,105	10	14.5	8.2
1916	6,000,000	866,126	10	14.4	8.0
1917	6,000,000	852,325	10	14.2	7.6
1918	6,000,000	824,532	10	13.7	7.2
1919	6,000,000	827,984	10	13.8	7.1
1920	6,000,000	854,277	10	14.2	7.1

CANADA TRUST CO., LONDON, ONTARIO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$121,692	$135,266	$140,136	$140,352	$164,395
Taxes	$	$ 5,967	$ 12,317	$ 19,455	$ 19,522
Patriotic	.....	3,125	2,500	750	.....
	$121,692	$ 9,092	$ 14,817	$ 20,205	$ 19,522
Net profits	$121,692	$126,174	$125,319	120,147	$144,873
Bal. forward	7,395	4,093	10,274	5,601	20,756
	$129,087	$130,267	$135,593	$125,748	$165,629
Distribution—					
Dividends	$ 59,994	$ 69,993	$ 79,992	$ 79,992	$119,988
Reserve	65,000	50,000	50,000	25,000	25,000
Balance	4,093	10,274	5,601	20,756	20,641
	$129,087	$130,267	$135,593	$125 748	$165,629

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 476,925	$ 41,276	5	8.6	6.4
1913	672,732	63,990	5	9.5	9.7
1914	1,000,000	101,068	6	10.1	10.0
1915	1,000,000	117,009	6	11.7	8.4
1916	1,000,000	121,692	6	12.1	8.6
1917	1,000,000	126,174	7	12.6	8.1
1918	1,000,000	125,319	8	12.5	8.0
1919	1,000,000	120,147	8	12.0	7.5
1920	1,000,000	144,873	8+4	14.4	8.8

THE CANADA PERMANENT TRUST CO., TORONTO

Distribution of Earnings.

	1918	1919	1920
Net profits	$ 19,412	$ 63,673	$ 75,289
Balance forward	52,269	71,681	294
Balance	$ 71,671	$135,354	$ 75,583
Distribution—			
Dividends	$	$ 35,060	$ 50,000
Reserve	.....	100,000	25,000
Balance	71,681	294	583
	$ 71,681	$135,354	$ 75,583

CAPITAL TRUST CORPORATION, OTTAWA.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 5,029	$ 15,333	$ 19,355	$ 26,375	$ 27,256
Bal. forward	6,872	11,901	27,234	30,427	56,802
	$ 11,901	$ 27,134	$ 46,589	$ 56,802	$ 84,058
Carried forward	11,901	27,134	30,427	56,802	54,530
Dividends	.....	.....	16,162	.....	19,528
Contingent	.....	.....	.....	.....	10,000
	$ 11,901	$ 27,134	$ 46,589	$ 56,802	$ 84,058

CENTRAL CANADA LOAN & SAVINGS CO., TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$221,511	$201,761	$203,035	$210,822	$212,348
Patriotic	$ 12,700	$ 9,951	$ 9,824	$ 3,693	$ 5,581
Net profits	$208,811	$191,810	$193,211	$207,129	$206,767
Bal. forward	23,242	57,053	73,863	92,074	124,203
	$232,053	$248,863	$267,074	$299,203	$330,970
Distribution—					
Dividends	$175,000	$175,000	$175,000	$175,000	$227,500
Bal, forward	57,053	73,863	92,074	124,203	103,470
	$232,053	$248,863	$267,074	$299,203	$330,970

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,750,000	$282,504	10	16.1	8.5
1913	1,750,000	285,816	10	16.3	8.3
1914	1,750,000	215,567	10	12.3	6.0
1915	1,750,000	214,052	10	12.2	6.0
1916	1,750,000	208,811	10	12.2	5.9
1917	1,750,000	191,810	10	11.2	5.2
1918	1,750,000	193,211	10	11.4	5.4
1919	1,750,000	207,129	10	12.1	5.8
1920	1,750,000	206,767	10+3	12.1	5.7

CHARTERED TRUST AND EXECUTOR COMPANY, TORONTO.

Distribution of Earnings.

	1918	1919	1920
Net profits	$15,129	$48,368	$37,644
Balance forward	4,593	40,664	1,183
	$19,722	$89,032	$38,827
Distribution—			
Dividend	$13,333	$29,453	$34,008
Reserve	....	58,397	1,000
Balance	6,390	1,183	3,819
	$19,723	$89,033	$38,827

COLONIAL INVESTMENT & LOAN CO., TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$167,066	$155,879	$156,133	$136,433	$168,990
Written off	$ 11,869	.....	.....	.....	.....
Furniture	480	400	1,198	.....	.....
	$ 12,349	$ 400	$ 1,198	$	$ .....
Net profits	$154,717	$155,479	$154,935	$136,433	$168,990
Bal. forward	53,966	57,464	59,646	27,213	16,161
Trans. from res.	.....	.....	.....	50,000	.....
	$208,683	$206,943	$214,581	$213,646	$185,151
Distribution—					
Dividends	$147,219	$147,296	$147,368	$147,485	$141,517
R. E. Res.	10,000	.....	40,000	.....	.....
Reserve	.....	.....	.....	50,000	.....
Balance	51,464	59,647	27,213	16,161	43,634
	$208,683	$206,943	$214,581	$213,646	$185,151

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$2,448,440	$187,783	6	8.2	7.4
1914	2,451,803	178,588	5½	7.3	6.5
1915	2,452,868	163,884	5	7.0	6.8
1916	2,453,995	154,717	6	6.4	5.5
1917	2,455,375	155,479	6	6.3	5.2
1918	2,456,402	154,935	6	6.3	5.4
1919	2,458,421	136,433	6	5.5	4.7
1920	1,250,926	168,990	6	7.8	6.2

CROWN TRUST COMPANY, MONTREAL

Distribution of Earnings.

	1916	1917	1918	1919	1920
Profits	$ 36,170	$ 35,269	$ 34,754	$ 44,326	$ 55,100
Bal. forward	51,830	*45,079	50,348	55,102	15,289
	$ 88,000	$ 80,348	$ 85,102	$ 99,428	$ 70,389
Dividends	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000
Written off	3,25	.....	.....	.....	.....
Balance	54,750	50,348	55,102	15,288	30,389
Reserves	.....	.....	.....	54,140	10,000
	$ 88,000	$ 80,348	$ 85,102	$ 99,428	$ 70,389

CROWN SAVINGS & LOAN CO., PETROLEA.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 31,568	$ 35,324	$ 38,132	$ 40,945	$ 44,442
Interest—					
Debenture	$ 8,027	$ 9,284	$ 10,142	$ 10,371	$ 10,354
Bank	1,645	2,416	3,184	4,080	5,064
Expense	3,236	3,653	3,832	4,226	4,963
Taxes, etc.	690	753	1,007	1,153	3,751
Writ. off prem.	.....	983	500	568	288
	$ 13,598	$ 17,089	$ 18,665	$ 20,397	$ 24,420
Net profits	$ 17,970	$ 18,235	$ 19,467	$ 20,548	$ 20,022
Prem. on stock.	260	610	.....	.....	.....
Balance forward.	6,556	7,006	7,406	7,409	7,493
	$ 24,786	$ 25,851	$ 26,873	$ 27,957	$ 27,515
Distribution—					
Dividends	$14,280	$ 14,444	$ 14,464	$ 14,463	$ 14,463
Reserve	3,500	4,000	5,000	6,000	5,500
Balance	7,006	7,406	7,409	17,494	7,551
	$ 24,786	$ 25,850	$ 26,873	$ 27,957	$ 27,514

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1915	$ 236,700	$ 17,454	6	7.4	5.7
1916	238,000	17,970	6	7.8	5.8
1917	241,050	18,235	6	8.0	6.0
1918	241,050	19,467	6	8.0	6.0
1919	241,050	20,548	6	8.5	6.2
1920	241,050	20,022	6	8.4	6.0

DOMINION SAVINGS & INVESTMENT SOCIETY, LONDON

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$117,257	$116,954	$116,805	$115,318	$110,895
Deduct—					
Savings	$ 26,795	$ 27,786	$ 29,216	$ 30,329	$ 22,799
Current debs.	5,084	6,261	7,556	7,958	8,086
St. debenture	10,948	8,673	8,263	7,868	7,517
Expenses	11,735	12,743	12,435	10,672	12,657
Taxes	2,495	2,099	2,627	2,716	4,475
Com. account	1,047	1,175	650	797	509
Int. banks	.....	.....	1,684	.....	3,077
	$ 58,104	$ 58,827	$ 62,431	$ 60,340	$ 59,120
Profits	$ 59,153	$ 58,127	$ 54,374	$ 54,978	$ 51,775
From contingent	5,129	2,541	3,925	1,556	4,790
	$ 64,282	$ 60,668	$ 58,299	$ 56,534	$ 56,565
Distribution—					
Dividend	$ 46,750	$ 46,741	$ 46,743	$ 46,744	$ 46,745
Reserve	15,000	10,000	10,000	5,000	.....
Contingent	2,541	3,926	1,556	4,790	9,819
	$ 64,282	$ 60,668	$ 58,299	$ 56,534	$ 56,565

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 934,300	$ 59,108	4½	6.3	5.9
1913	934,300	66,131	4½	7.1	5.9
1914	934,300	71,764	5	7.6	6.2
1915	934,300	57,405	5	6.1	4.9
1916	934,300	59,153	5	6.1	5.3
1917	934,300	58,127	5	6.2	4.9
1918	934,300	54,374	5	5.8	4.5
1919	934,000	54,978	5	5.9	4.5
1920	934,300	51,775	5	5.5	4.2

EAST LAMBTON FARMERS' LOAN & SAVINGS CO., FOREST, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 26,556	$ 28,814	$ 28,432	$ 29,910	$ 30,404
Interest—					
On deposits	$ 5,758	$ 5,731	$ 5,031	$ 4,442	$ 4,642
On debentures	3,037	4,417	4,168	4,279	4,496
Expenses	1,712	1,661	2,243	2,360	2,583
Taxes	638	838	845	997	2,662
	$ 11,145	$ 12,647	$ 12,287	$ 12,078	$ 14,383
Net profits	$ 15,411	$ 16,167	$ 16,145	$ 17,832	$ 16,021
Prem. on stock.	700	620	20	290	670
	$ 16,111	$ 16,787	$ 16,165	$ 18,122	$ 16,691
Distribution—					
Dividend	12,916	13,111	13,212	13,251	13,391

The Imperial Canadian Trust Co.

Head Office, - Winnipeg, Man.

Paid-up capital and reserve, $1,200,000

This Company acts as Executor, Administrator, Liquidator, Guardian, Assignee, Receiver, etc. Estates managed. Rents collected.

Write for our Booklet entitled "The Corporate Executor"

The Great West Permanent Loan Co.

Head Office, - Winnipeg, Man.

Paid-up capital and reserves, $3,514,664

5½% allowed on Debentures. Interest payable by coupons half yearly.

4% allowed on Savings Deposits, Compounded quarterly. Accounts subject to cheque withdrawals.

Write for our Booklets on Debentures and Savings.

Guelph and Ontario Investment and Savings Society

Interest allowed on DEPOSITS of ONE DOLLAR and upwards at THREE AND ONE-HALF PER CENT. per annum, payable half yearly.

DEBENTURES issued for $100.00 and upwards bearing a special rate of interest.

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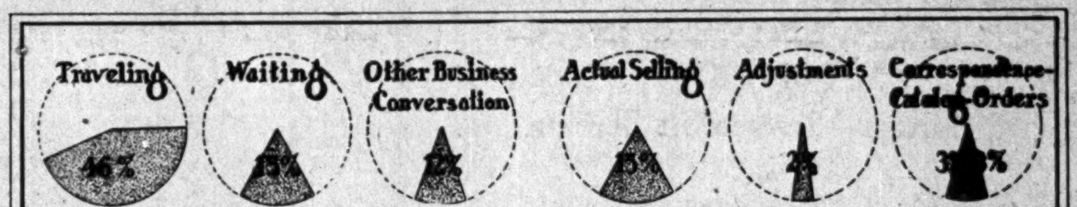
Estates managed, rents and other revenue collected. Safety deposit boxes to rent.

When making your will appoint **The Guelph Trust Company** to act as your executor.

Office: Corner Wyndham and Cork Sts., Guelph.

J. E. McELDERRY
Managing Director

How Your Salesman's Day is Spent



Adopted from Editorial "Systems," Chicago

Your salesman's time is valuable. Multiply that time by every help you can think of.

The salesman's occupation is coming back. Things used to sell themselves. Quality didn't matter. Price didn't matter. Service didn't matter. But widespread economy in buying has forced a new factor into the sale of all goods. Salesmen on the road and back of the counters must now give sound reasons why the merchandise they offer should have the preference.

Timely, enthusiastic, man-to-man messages in the merchants' newspaper will increase the effectiveness of your salesman's visit. Your merchant will be ready to talk business when he calls.

Now as never before, your merchant is studying ways and means to fight for trade. The day's work for him is summed up in—**how can I hold my business? Will he hold his trade with your goods or with your competitors?** He is studying markets and new business ideas. He is studying prices and turnover possibilities—what a chance to build confidence in your line through your trade newspaper!

Increase each man's sales by preparing the way for his sales call—clear the way for effective work by building up good will for your firm and merchants' confidence in the sales possibilities of your goods, and regard for the salesman's ability to help merchants he is selling.

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BRANTFORD, ONTARIO

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Chas. B. Heyd - - - - - - Vice-President
A. J. Wilkes, K.C. F. Grobb
A. K. Bunnell, F.C.A. Geo. Wedlake
W. G. Helliker, Manager

Authorized Capital $1,000,000.00
Reserve Fund 470,000.00
Total Assets 2,620,000.00

Friendship is No Criterion

in the selection of an Executor. Quite the contrary. As a rule, the less personal interest an Executor has in an Estate, the better its affairs are administered. The selection of an Executor is a matter of business, not of friendship. Friendship should, therefore, give way to sound business judgment.

Appoint this Company your executor.

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debentures pay

5½%
interest

And they are always worth what you pay for them.

3½% interest paid on deposits, subject to cheque withdrawal.

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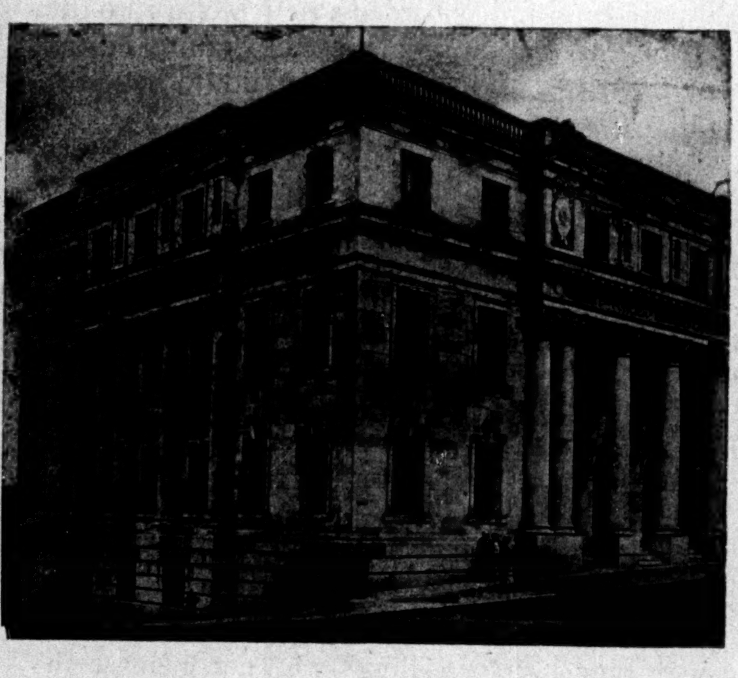
King & Victoria Sts. Toronto.
ESTABLISHED 1884

CREDIT FONCIER FRANCO-CANADIEN
HEAD OFFICE: MONTREAL



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Regina Edmonton Vancouver

Local Agents Throughout the Dominion

PARIS (FRANCE) OFFICE:
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Reserve	3,195	3,676	2,950	4,871	3,300
	$ 16,111	$ 16,787	$ 16,165	$ 18,122	$ 16,691

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$ 200,000	$ 12,715	6	6.3	5.8
1914	209,825	14,183	6	7.0	6.1
1915	213,250	16,432	6	7.8	7.0
1916	217,000	15,411	6	7.3	6.0
1917	220,100	16,167	6	7.3	6.0
1918	220,200	16,145	6	7.3	6.0
1919	221,650	17,832	6	8.0	6.4
1920	225,000	16,021	6	7 1	5.7

EASTERN CANADA SAVINGS & LOAN CO., HALIFAX

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$104,966	$120,148	$119,182	$139,295	$153,580
Int. on debs.	$ 41,456	$ 49,614	$ 49,735	$ 49,531	$ 49,133
Int. on dep.	5,613	5,451	5,704	10,717	11,849
Management	11,475	11,781	12,408	16,520	21,144
Written off	2,074	2,094	1,043	871	1,091
Taxes	1,717	2,465	1,730	4,213	2,273
War Tax	3,616	3,761	1,499	5,521	.....
Patriotic	1,150	1,050	500	.....	.....
Explosion	.....	.....	3,137	.....	.....
Income Tax	.....	.....	.....	.....	8,787
	$ 67,101	$ 76,216	$ 75,756	$ 87,383	$ 94,277
Net profits	$ 37,865	$ 43,932	$ 43,426	$ 51,912	$ 59,303
Prem. on stock	27,482	3,365	527	.....	.....
	$ 65,347	$ 47,297	$ 43,953	$ 51,912	$ 59,303
Distribution—					
Dividends	$ 25,347	$ 29,297	$ 29,952	$ 32,912	$ 44,967
Reserve	39,999	15,000	14,000	19,000	14,336
Contingent	.....	3,000	.....	.....	.....
	$ 65,347	$ 47,297	$ 43,953	$ 51,912	$ 59,303

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 250,000	$ 26,500	7	10.6	7.4
1913	250,000	29,500	7	11.8	8.0
1914	250,000	29,000	8	11.6	7.6
1915	250,000	31,000	8	12.4	8.1
1916	359,450	37,865	8	12.0	8.2
1917	372,890	43,932	8	12.2	8.0
1918	375,000	43,426	8	11.7	7.6
1919	502,300	51,912	8	12.6	8.2
1920	600,000	59,303	8	10.6	7.4

EASTERN TRUST COMPANY, HALIFAX

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$107,014	$121,129	$126,081	$131,766	$140,137
Directors' Fees	$ 7,687	$ 7,562	$ 7,750	$ 7,750	$ 9,750
Patriotic	5,000	4,200	4,450	1,000	.....
Written off	.....	.....	4,000	.....	2,000
Furniture	631	11,075	5,889	391	3,571
Taxes	2,696	2,713	2,313	4,606	22,468
	$ 16,014	$ 25,548	$ 24,402	$ 13,747	$ 37,789
Net profits	$ 91,000	$ 95,581	$101,679	$118,019	$102,348
Bal. forward	26,830	37,998	53,476	25,154	25,672
	$117,830	$133,579	$155,155	$143,173	$128,020
Distribution—					
Dividends	$ 79,832	$ 80,000	$ 80,000	$ 87,500	$ 90,000
Reserve	.....	.....	50,000	30,000	20,000
Balance	37,998	53,478	25,155	25,673	18,019
Good Rd. Assoc.	.....	100	.....	.....	.....
	$117,830	$133,579	$155,155	$143,173	$128,020

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 747,800	$ 56,981	7	9.4	[illegible].0
1913	904,000	80,899	7	10.6	8.1
1914	931,000	78,244	8	8.9	7.6
1915	1,000,000	89,156	8	9.5	7.3
1916	1,000,000	91,000	8	9.2	7.2
1917	1,000,000	95,581	8	9.5	8.0
1918	1,000,000	101,679	8	10.1	8.0
1919	1,000,000	118,019	9	11.8	8.9
1920	1,000,000	102,348	9	10.2	7.6

EMPIRE LOAN COMPANY, WINNIPEG.

Distribution of Earnings.

	1917	1918	1919	1920
Profits	$35,458	$17,776	*$26,462	*$33,880
Balance forward	1,083	492	18,232	10,447
	$36,541	$18,258	$44,694	$44,327
Distribution—				
Dividend	$35,990	$	$24,219	$27,623
Instal. shareholders	59	26	27	27
Reserve	....	.....	10,000	10,000
Balance	492	18,232	10,447	6,677
	$36,541	$18,258	$44,694	$44,327

*Less income taxes.

FRONTENAC LOAN AND INVESTMENT SOCIETY, KINGSTON, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 17,372	$ 17,763	$ 18,059	$ 18,132	$ 17,498
Interest—					
On debentures	$ 120	.....	.....	.....	.....
On deposit	1,748	1,599	1,501	1,514	1,380
Expenses	3,954	3,732	4,499	4,644	5,018
	$ 5,822	$ 5,331	$ 6,000	$ 6,158	$ 6,398
Net profits	$ 11,550	$ 12,432	$ 12,059	$ 11,974	$ 11,100
Dividends	10,000	11,000	11,000	11,000	10,000
Balance	1,500	1,432	1,059	973	1,100
	$ 11,550	$ 12,432	$ 12,059	$ 11,973	$ 11,100

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1914	$ 200,000	$ 10,900	5	5.4	4.8
1915	200,000	11,500	5	5.8	5.0
1916	200,000	11,550	5	5.8	5.0
1917	200,000	12,432	5½	6.2	5.4
1918	200,000	12,059	5½	6.0	5.0
1919	200,000	11,974	5½	5.9	4.9
1920	200,000	11,100	5	5.5	4.8

GREAT WEST PERMANENT LOAN COMPANY, WINNIPEG

Distribution of Earnings.

	1916	1917	1918	1919	1920
Net profits	*$208,253	$206,388	$207,879	$161,598	$157,715
Off bank stock	.....	31,087	.....	.....	.....
	.....	$175,301	.....	.....	.....
Bal. forward	.....	15,744	.....	.....	15,867
	.....	$191,045	.....	.....	$173,582
Distribution—					
Dividends	$192,509	$120,367	$	$ 60,190	$120,719
Reserve	.....	70,678	207,879	85,540	50,000
Balance	.....	.....	.....	15,868	2,863
	$ 15,744	$191,045	$207,879	$161,598	$173,582

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$2,247,298	$225,849	9	11.0	8.6
1913	2,356,025	265,301	9	11.6	9.1
1914	2,400,484	244,266	9	10.1	7.9
1915	2,410,925	203,667	†8	8.4	6.6
1916	2,411,862	208,253	8	8.7	6.7
1917	2,412,566	206,338	5	8.5	6.6
1918	2,412,578	207,879	..	8.6	6.8
1919	2,413,018	161,598	5	6.7	5.0
1920	2,414,663	157,715	5	6.5	4.9

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*After deducting expenses, taxes, interest, etc.

†For first half of year 9 per cent. was paid and 7 per cent. in the last half.

GREY AND BRUCE LOAN CO., OWEN SOUND

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 44,530	$ 47,452	$ 51,505	$ 51,014	$ 50,094
Interest—					
Debentures	$ 6,050	$ 6,206	$ 6,448	$ 6,021	$ 5,783
Deposits	3,211	4,520	5,128	5,416	5,439
Taxes	1,676	1,709	1,837	2,625	3,118
Fees	339	471	457	449	580
War Tax	439	418	448	447	508
Patriotic	500	250	.....	.....	.....
Expenses	2,714	2,907	2,914	3,943	4,167
	$ 14,929	$ 16,481	$ 17,232	$ 18,901	$ 19,595
Net profits	$ 29,601	$ 30,971	$ 34,273	$ 32,113	$ 30,499
Prem. on stock	17	.....	.....	.....	.....
Balance forward	108	85	408	30	484
	$ 29,726	$ 31,056	$ 34,681	$ 32,143	$ 30,983
Distribution—					
Dividends	$ 26,640	$ 26,648	$ 36,649	$ 26,659	$ 26,663
Reserve	3,000	4,000	8,000	5,000	2,000
Balance	86	408	31	484	.....
Contingent	.....	.....	.....	.....	2,319
	$ 29,726	$ 31,056	$ 34,680	$ 32,143	$ 30,983

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 440,880	$ 26,632	6	7.6	6.8
1913	442,730	28,008	6	6.7	6.0
1914	443,895	29,824	6	6.7	6.1
1915	443,895	29,571	6	6.7	5.8
1916	444,145	29,601	6	7.0	6.2
1917	444,145	30,971	6	7.2	6.4
1918	444,175	34,273	6	7.8	6.9
1919	444,350	32,113	6	7.3	6.3
1920	444,380	30,499	6	6.9	5.9

GUELPH AND ONTARIO INVESMENT AND SAVINGS SOCIETY, GUELPH.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$281,957	$285,768	$278,038	$	$ .....
Interest—					
Dep. and debs.	$115,234	$119,323	$115,959	$	$ .....
Gen. int.	.....	.....	556	.....	.....
Commission	367	637	878	.....	.....
Taxes	2,969	3,022	3,207	.....	.....
Expenses	21,783	23,280	24,581	.....	.....
Patriotic	1,000	1,400	1,500	.....	.....
Wax Tax	9,936	8,708	7,849	.....	.....
	$151,289	$156,370	$154,530	$	$ .....
Profits	$130,668	$129,398	$123,508	$143,771	$117,663
Prem on stock	2,040	2,312	.....	.....	.....
Bal. forward	26,671	38,116	41,008	31,415	34,842
	$159,379	$169,826	$164,516	$175,186	$152,505
Dividends	$ 69,223	$ 76,506	$ 83,099	$ 90,344	$ 96,322
Reserve	52,040	52,312	50,000	50,000	30,000
Forward	38,116	41,008	31,416	34,842	26,783
	$159,379	$169,826	$164,515	$175,186	$152,505

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 524,000	$104,629	10	19.9	11.3
1913	594,370	109,057	10	18.3	10.6
1914	608,310	114,024	10	18.8	9.9
1915	643,695	122,180	10	19.5	9.9
1916	711,983	130,668	10	18.4	10.0
1917	782,701	129,398	10	17.0	8.5
1918	847,847	123,508	10	14.8	7.6
1919	923,233	143,771	10	15.9	8.7
1920	964,840	117,663	10	12.4	6.6

THE GUELPH TRUST COMPANY, GUELPH.

Distribution of Earnings.

	1918	1919	1920
Earnings	$ 23,397	$	$ .....
Expenses	$ 1,365	.....	.....
Net profits	$ 22,032	$ 20,906	$ 23,649
Balance forward	3,129	5,738	7,019
Premium on stock	201	.....	.....
	$ 25,362	$ 26,644	$ 30,668
Distribution—			
Dividend	$ 14,624	$ 14,625	$ 14,625
Reserve	5,000	5,000	10,000
Balance	5,738	7,019	6,043
	$ 25,362	$ 26,644	$ 30,668

HAMILTON PROVIDENT AND LOAN SOCIETY, HAMILTON, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$322,822	$313,843	$312,272	$320,051	$338,720
Interest	$104,193	$ 93,460	$ 94,787	$ 97,147	$ 97,550
Expenses	29,690	33,919	38,017	38,908	46,419
Com. on loans	3,906	2,904	3,911	5,695	4,275
Inspect'n of land	5,377	6,292	6,493	7,641	9,245
Government tax.	3,081	3,026	3,166	*10,930	3,919
War tax	3,544	5,760	5,051	.....	15,417
	$149,791	$145,361	$151,425	$160,321	$176,825
Net profits	$173,031	$168,482	$160,847	$159,730	$161,895
Distribution—					
Dividends	$ 96,000	$ 96,000	$ 96,000	$108,000	$108,000
Reserve	75,000	70,000	64,846	50,000	50,000
Contingent	2,030	2,482	.....	1,730	3,894
	$173,030	$168,482	$160,846	$159,730	$161,894

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*Includes war tax.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,160,000	$143,740	7	12.4	7.4
1913	1,200,000	148,042	7	12.6	7.4
1914	1,200,000	160,842	8	13.4	7.8
1915	1,200,000	161,449	8	13.4	7.6
1916	1,200,000	173,031	8	14.4	8.2
1917	1,200,000	168,482	8	14.0	7.7
1918	1,200,000	160,846	8	13.3	7.0
1919	1,200,000	159,730	9	13.2	6.6
1920	1,200,000	161,895	9	13.4	6.7

HOME INVESTMENT AND SAVINGS ASSOCIATION, WINNIPEG, MAN.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$115,153	$113,809	$106,523	$101,231	$106,411
Taxes	$ 1,249	$ 1,130	$ 1,115	$ 1,192	$ 1,129
War tax	1,700	4,182	3,830	8,798	10,241
Patriotic	1,198	.....	.....	.....	.....
	$ 4,147	$ 5,312	$ 4,945	$ 9,990	$ 11,370
Net profits	$111,006	$108,497	$101,578	$ 91,241	$ 95,041
Prem. on stock.	321	836	386	50	10
Bal. forward	23,785	21,636	42,200	63,065	74,463
	$135,112	$130,969	$144,164	$154,356	$169,514
Distribution—					
Dividends	$ 88,476	$ 88,769	$ 79,183	$ 79,358	$ 79,392
Contingent	25,000	.....	.....	.....	.....
Balance	21,636	42,200	64,980	74,998	90,122
	$135,112	$130,969	$144,164	$154,356	$169,514

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 856,511	$124,721	9	14.5	10.7
1913	862,490	134,598	9	15.6	10.8
1914	969,300	134,387	9	14.5	9.8
1915	981,726	123,059	9	12.6	8.3
1916	984,481	111,006	9	11.2	7.4
1917	989,131	108,497	9	11.0	7.1
1918	991,928	101,578	8	10.3	6.6
1919	992,352	91,241	8	9.2	6.0
1920	992,482	95,041	8	9.6	6.0

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HURON AND ERIE MORTGAGE CORPORATION, LONDON, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$440,310	$450,192	$474,069	$535,610	$549,600
Taxes	$ 7,902	$ 8,381	$ 8,099	$ 27,288	$ 34,521
War Tax	10,396	11,235	13,477	11,585	9,136
Patriotic	2,750	9,425	5,825	3,700	.....
	$ 21,048	$ 29,041	$ 27,401	$ 42,573	$ 43,657
Net profits	$419,262	$421,151	$446,668	$493,037	$505,943
Bal. forward	40,662	85,519	86,670	23,337	16,317
	$459,924	$506,670	$533,338	$516,374	$522,317
Distribution—					
Dividends	$298,474	$300,000	$300,000	$300,000	$350,000
Pension	10,000	10,000	10,000	.....	.....
Branch exten.	10,000	10,000	.....	.....	.....
Reserve	55,931	100,000	200,000	200,000	150,000
Balance	85,519	86,670	23,338	16,374	22,317
	$459,924	$506,670	$533,338	$516,374	$522,317

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$2,100,000	$332,220	11	16.3	7.8
1913	2,100,000	368,588	12	17.5	8.4
1914	2,406,201	400,116	12	17.3	8.5
1915	2,458,415	409,203	12	17.0	7.8
1916	2,500,000	419,262	12	16.4	7.7
1917	2,500,000	421,151	12	17.0	7.4
1918	2,500,000	446,668	12	17.8	7.9
1919	5,000,000	493,037	6	9.8	8.3
1920	5,000,000	505,943	6+1	10.1	8.4

THE IMPERIAL CANADIAN TRUST COMPANY, WINNIPEG.

Distribution of Earnings.

	1918	1919	1920
Profits	$ 20,029	$ 41,045	$ 77,013
Taxes	.....	.....	12,853
Net profits	$ 20,029	$ 41,045	$ 64,160
Bal forward	.....	20,029	.....
	$ 20,029	$ 61,074	$ 64,160
Distribution—			
Dividends	$	$ 23,224	$ 46,980
Reserve	.....	37,850	7,838
Balance	20,029	.....	9,341
	$ 20,029	$ 61,074	$ 64,160

THE IMPERIAL TRUST CO. OF CANADA, TORONTO.

Distribution of Earnings.

	1919	1920
Net profits	$ 13,573	$ 22,857
Bal. forward	3,010	10,417
	$ 16,583	$ 33,274
Distribution—		
Dividends	$ 6,165	$6 12,332
Balance	10,417	20,942
	$ 16,583	$ 33,274

INDUSTRIAL MORTGAGE AND SAVINGS COMPANY, SARNIA, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$124,677	$133,083	$138,311	$156,075	$165,676
Interest—					
Debenture	$ 24,317	$ 27,101	$ 29,793	$ 32,257	$ 36,397
Deposits	23,359	24,138	24,888	27,856	29,266
Expenses	8,279	9,460	10,261	11,882	13,226
Registration	155	155	155	270	423
Taxes	1,623	1,389	1,736	4,625	6,248
Com. on loans	780	535	1,027	1,729	1,967
War tax	1,177	1,256	1,243	.....	.....
Written off	....	836	500	1,500	1,665
	$ 59,690	$ 64,870	$ 69,603	$ 80,119	$ 89,192
Net profits	$ 64,987	$ 68,213	$ 68,708	$ 75,956	$ 76,484
Prem. on stock	950	16,550	.....	.....	.....
Bal. forward	2,036	2,899	508	510	742
	$ 64,973	$ 87,662	$ 69,216	$ 76,466	$ 77,226
Distribution—					
Dividends	$ 45,074	$ 50,153	$ 50,706	$ 50,723	$ 57,138
Reserve	20,000	37,000	18,000	25,000	20,000
Balance	2,899	508	510	743	88
	$ 67,973	$ 87,661	$ 69,216	$ 76,466	$ 77,226

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$ 563,089	$ 53,687	7	9.5	6.9
1914	598,056	58,510	7	9.8	7.1
1915	599,122	57,936	7	10.4	6.6
1916	601,297	64,987	7½	10.8	7.0
1917	633,750	68,213	8	11.0	7.2
1918	633,850	68,708	8	10.9	6.9
1919	634,100	75,956	8	11.0	7.5
1920	635,000	76,484	8+1	12.1	7.4

INVESTORS' MORTGAGE SECURITY CO., SCOTLAND

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$682,015	$685,320	$645,185	$687,525	$781,855
Directors' fees	$ 28,595	$ 28,370	$ 27,780	$ 27,775	$ 28,230
Expenses	14,555	16,860	15,765	19,510	18,960
Interest	158,110	157,540	152,895	163,830	172,720
Income tax	85,605	138,695	174,700	190,680	193,225
	$285,865	$341,465	$371,140	$401,795	$413,135
Profits	$395,150	$343,855	$274,045	$285,730	$368,720
Bal, forward	85,270	74,525	71,880	73,635	68,900
	$480,420	$418,380	$345,925	$359,365	$437,620
Distribution—					
Dividends	295,865	277,500	268,180	259,000	273,000
Reserve	.....	.....	.....	31,465	93,360
Contingent	110,030	69,000	4,110	.....	.....
Balance	74,525	71,880	73,635	68,900	71,260
	$480,420	$418,380	$345,925	$359,365	$437,620

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$3,750,000	$325,345	9½	8.8	8.2
1913	5,000,000	399,840	10½	8.0	8.1
1914	5,000,000	433,840	10½	8.6	6.6
1915	5,000,000	394,870	10½	7.8	5.9
1916	5,000,000	395,150	11	7.9	6.0
1917	5,000,000	343,855	11	6.8	5.2
1918	5,000,000	274,045	11	5.5	4.0
1919	5,000,000	285,730	11	5.7	4.2
1920	5,000,000	368,720	12	7.3	5.4

In the foregoing analysis the company's figures in sterling have been converted on the basis of $5 to the £.

INVESTMENT CORPORATION OF CANADA, LONDON, ENG.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$274,260	$254,455	$241,400	$187,195	$262,630
Commission	$ 32,345	$ 30,375	$ 26,075	$ 21,940	$ 21,000
Expenses	21,420	16,745	14,150	19,165	17,325
Income tax	5,775	38,695	16,230	27,355	9,695
Interest	69,900	64,850	58,436	58,435	58,440
Written off	540	.....	5,000	.....	.....
	$129,980	$150,665	$119,891	$126,895	$106,460
Net profits	$144,280	$103,790	$121,509	$ 60,300	$156,170
Bal. forward	12,590	9,370	15,650	12,630	5,425
Taxes recovered	.....	.....	17,975	.....	.....
	$156,870	$113,160	$155,134	$ 72,930	$161,590
Distribution—					
Dividends	$117,500	$ 97,500	$117,500	$ 67,500	$117,500
Reserve	30,000	.....	25,000	.....	25,000
Balance	9,370	15,660	12,635	5,425	19,090
	$156,870	$113,160	$155,135	$ 72,930	$161,590

In the foregoing analysis the company's figures in sterling have been converted on the basis of $5 to the £.

LAMBTON LOAN AND INVESTMENT COMPANY, SARNIA, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$180,222	$186,188	$181,904	$198,616	$203,090
Interest—					
Debentures	$ 22,390	$ 22,250	$ 21,300	$ 24,200	$ 30,500
Deposits	40,354	43,598	39,938	40,726	42,357
Taxes	3,944	3,926	4,315	4,674	8,504
Expenses	12,958	13,130	13,017	14,085	16,018
Commissions	164	1,014	581	195	110
	$ 79,810	$ 83,918	$ 79,151	$ 83,880	$ 97,484
Profits	$100,412	$102,270	$102,753	$114,736	$105,606
Distribution—					
Dividends	$ 71,077	$ 63,180	$ 78,795	$ 78,795	$ 78,795
Reserve	29,335	35,000	23,777	35,761	25,000
Contingent	.....	90	.....	.....	93
Car. to Premises	.....	4,000	.....	.....	737
Car. to Furnit.	.....	.....	.....	.....	800
	$100,412	$102,270	$102,753	$114,736	$105,606

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 789,750	$ 89,460	9	11.8	6.4
1913	789,750	94,750	9	12.1	6.8
1914	789,750	90,004	8	11.4	6.4
1915	789,750	93,234	8	11.8	6.0
1916	789,750	100,412	8+1	12.7	6.9
1917	789,750	102,270	8	13.0	6.8
1918	789,750	102,753	8+2	13.0	6.7
1919	789,750	114,736	8+2	14.5	7.4
1920	789,750	105,606	8+2	13.5	6.6

LANDED BANKING AND LOAN CO., HAMILTON

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$246,108	$249,548	$240,171	$238,368	$245,139
Interest—					
Deposits	$ 40,114	$ 40,203	$ 35,589	*$72,258	$ 72,502
Debentures	40,873	39,317	37,546	.....	.....
Taxes	2,709	2,855	2,951	15,653	18,747
Expenses	26,962	26,317	29,400	29,859	34,616
War tax	3,516	3,971	4,384	.....	.....
Patriotic	850	1,000	800	.....	.....
	$115,024	$113,663	$110,670	$117,770	$125,865
Net profits	$131,084	$135,885	$129,501	$120,598	$119,274
Prem. on stock	2,006	.....	.....	.....	.....
Bal. forward	3,163	6,348	7,232	6,732	2,330
	$136,253	$142,233	$136,733	$127,330	$121,604
Distribution—					
Dividends	$ 79,905	$ 80,000	$ 80,000	$ 80,000	$ 80,000
Reserve	50,000	55,000	50,000	45,000	40,000
Balance	6,348	7,233	6,733	2,330	1,603
	$136,253	$142,233	$136,733	$127,330	$121,603

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*Includes interest on deposits and debentures.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 700,000	$100,588	7	14.3	8.5
1913	929,126	106,243	7½	12.6	7.8
1914	978,500	121,472	8	12.7	7.7
1915	987,970	128,678	8	13.2	6.8
1916	1,000,000	131,084	8	13.5	7.6
1917	1,000,000	135,885	8	13.5	7.9
1918	1,000,000	129,501	8	12.9	7.2
1919	1,000,000	120,598	8	12.0	6.4
1920	1,000,000	119,274	8	11.9	6.2

LONDON AND CANADIAN LOAN AND AGENCY CO., TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$359,080	$348,345	$341,499	$364,911	$359,650
Interest	$133,123	$129,339	$128,132	$134,589	$138,114
Management	20,491	20,386	22,315	22,973	26,055
Expenses	25,433	23,423	26,905	31,698	28,633
Taxes	*17,799	*8,208	*8,663	*12,513	*18,925
Patriotic	2,950	3,010	2,500	.....	.....
Total charges	$199,796	$184,366	$188,515	$201,773	$211,727
Net profits	$159,284	$163,979	$152,984	$163,138	$147,923
Brought forward	23,734	8,018	21,907	24,981	25,618
	$183,018	$171,997	$174,981	$188,119	$173,541
Distribution—					
Dividends	$100,000	$100,000	$100,000	$112,500	$112,500
Rest	75,000	50,000	50,000	50,000	50,000
Balance	8,018	21,997	24,981	25,619	11,040
	$183,018	$171,997	$174,981	$188,119	$173,540

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*This includes the Dominion War Tax.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,000,000	$141,224	7	14.1	10.0
1913	1,243,760	168,164	7½	13.5	9.8
1914	1,250,000	177,546	8	14.2	9.6
1915	1,250,000	188,361	8	14.7	9.8
1916	1,250,000	159,284	8	12.7	8.0
1917	1,250,000	163,979	8	13.1	8.0
1918	1,250,000	152,984	8	12.4	7.3
1919	1,250,000	163,138	8+1	13.0	7.7
1920	1,250,000	147,923	9	12.2	6.6

LONDON AND WESTERN TRUSTS CO., LONDON, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
*Earnings	$ 54,451	$ 52,551	$ 56,113	$ 62,327	$ 65,569
Written off	.....	.....	.....	.....	$ 1,500
War tax	2,800	2,000	3,000	1,192	.....
Net profits	$ 51,651	$ 50,551	$ 53,113	$ 61,135	$ 64,069
Balance	7,735	9,386	9,938	8,051	14,186
	$ 59,386	$ 59,937	$ 63,051	$ 69,186	$ 78,255
Distribution—					
Dividends	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000
Reserves	15,000	15,000	20,000	20,000	30,000
Balance	9,386	9,937	8,051	14,186	13,255
	$ 59,386	$ 59,937	$ 63,051	$ 69,186	$ 78,255

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*After deduction of taxes.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 350,000	$ 29,922	6	8.8	7.2
1913	400,000	37,368	6	9.5	8.6
1914	484,195	45,676	6½	9.7	9.4
1915	500,000	53,486	7	10.8	9.2
1916	500,000	51,651	7	10.3	8.2
1917	500,000	50,551	7	10.1	7.8
1918	500,000	53,113	7	10.6	8.0
1919	500,000	61,135	7	12.2	9.0
1920	500,000	64,069	7	12.8	9.1

THE LONDON LOAN AND SAVINGS COMPANY OF CANADA, LONDON, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$192,227	$129,447	$84,320	$ 83,421	$ 81,125
Interest—					
Deposits	$ 17,891	$ 20,113	$	$	$ .....
Debentures	67,205	45,014	.....	.....	.....
Commisions	1,463	1,124	.....	.....	.....
Expense	18,496	18,629	.....	.....	.....
Taxes	5,543	8,438	.....	.....	.....
Patriotic	100	700	400	300	.....
Bank charges	304	.....	.....	.....	.....
	$111,002	$ 94,018	$ 400	$ 300	$ .....
Net profits	$ 81,225	$ 35,429	$ 83,920	$ 83,121	$ 81,125
Bal. forward	1,690	29,894	1,925	2,385	3,338
	$ 82,915	$ 65,323	$ 85,845	$ 85,506	$ 84,463
Distribution—					
Dividends	$ 53,021	$ 53,198	$ 53,260	$ 62,168	$ 62,286
Bonus appr.	.....	10,200	10,200	.....	.....
Reserve	.....	.....	20,000	20,000	20,000
Balance	29,894	1,925	2,385	3,338	2,177
	$ 82,915	$ 65,323	$ 85,845	$ 85,504	$ 84,463

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 740,866	$ 74,052	6	10.1	8.0
1913	839,227	97,552	6+2	12.4	9.6
1914	857,224	101,697	6+1	12.0	9.3
1915	882,889	117,817	6+1¼	13.5	10.0
1916	884,283	81,225	6	9.2	6.7
1917	887,398	35,429	6+1	4.1	2.9
1918	887,849	83,920	6+1	9.5	6.9
1919	888,321	83,121	7	9.4	6.6
1920	891,383	81,125	7	9.2	6.3

MERCANTILE TRUST CO. OF CANADA, HAMILTON

Distribution of Earnings.

	1916	1917	1918	1919	1920
Profits	$ 43,790	$ 40,389	$ 49,481	$ 55,470	$ 56,736
Written off	$ 3,800	.....	$ 4,962	$ 6,745	.....
Patriotic	.....	.....	825	.....	.....
Tax reserve	.....	.....	.....	3,000	4,000
	$ 3,800	$	$ 5,787	$ 9,745	$ 4,000
Net profits	$ 39,990	$ 40,389	$ 43,694	$ 45,725	$ 52,736
Bal. forward	9,103	20,997	32,786	15,546	7,578
Prem. on stock	135	700	205	620	.....
	$ 49,228	$ 62,086	$ 76,685	$ 61,891	$ 60,314
Distribution—					
Dividends	$ 28,096	$ 28,599	$ 29,174	$ 29,313	$ 35,000
Contingent	.....	.....	.....	.....	2,500
Reserve	135	700	28,935	25,000	.....
Depreciation	.....	.....	3,029	.....	6,500
Balance	20,997	32,786	15,546	7,578	16,314
	$ 49,228	$ 62,086	$ 76,685	$ 61,891	$ 60,314

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$ 452,100	$ 41,830	6	10.5	9.0
1914	461,000	37,276	6	8.3	7.2
1915	466,800	42,660	6	9.2	8.0
1916	469,500	39,990	6	8.7	7.4
1917	483,500	40,389	6	8.4	7.1
1918	487,600	43,694	6	9.0	7.4
1919	500,000	45,725	6	9.5	7.6
1920	500,000	52,736	6+1	10.5	8.3

MIDLAND LOAN AND SAVINGS CO., PORT HOPE

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 88,410	$ 89,224	$ 89,280	$ 96,072	$120,283
Interest—					
Dep. and deb.	$ 34,995	$ 36,036	$ 37,192	$ 38,075	$ 39,490
Expenses	8,747	8,704	8,295	8,834	11,398
Commissions	341	431	353	1,068	1,143
Taxes	2,284	2,268	2,364	4,489	8,825
Written down	.....	235	.....	.....	16,659
Patriotic	.....	250	.....	.....	.....
	$ 46,367	$ 47,924	$ 48,204	$ 42,466	$ 77,515
Profits	$ 42,043	$ 41,300	$ 41,076	$ 43,606	$ 42,768
Bal. forward	15,731	18,974	21,473	23,750	28,556
Surplus	$ 57,774	$ 60,274	$ 62,549	$ 67,356	$ 71,324
Distribution—					
Dividends	$ 28,000	$ 28,800	$ 28,800	$ 28,800	$ 30,000
Reserve	10,000	10,000	10,000	10,000	15,000
Bal. forward	18,974	21,474	23,749	28,556	22,025
Contingent	.....	.....	.....	.....	3,699
	$ 57,774	$ 60,274	$ 62,549	$ 67,356	$ 71,324

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 360,000	$ 40,028	7½	11.1	7.1
1913	360,000	39,676	8	11.0	6.9
1914	360,000	43,511	8	12.0	7.2
1915	360,000	44,836	8	12.4	7.4
1916	360,000	42,043	8	11.6	6.8
1917	360,000	41,300	8	11.5	6.6
1918	360,000	41,076	8	11.4	6.3
1919	360,000	43,606	8	12.1	6.6
1920	360,000	42,768	8+½	11.8	6.3

MONTREAL LOAN AND MORTGAGE CO., MONTREAL

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$115,065	$119,909	$121,410	$126,051	$132,689
Interest—					
Debenture	$ 8,067	$ 8,067	$ 8,067	$ 7,661	$ 7,065
Deposit	10,989	10,099	8,667	8,448	8,453
Expenses	12,507	12,755	12,931	12,998	14,800
Patriotic	1,100	1,600	500	.....	.....
War tax	1,173	1,240	1,251	1,254	1,252
Income tax	.....	2,123	4,029	7,759	8,949
	$ 33,836	$ 35,884	$ 35,445	$ 38,120	$ 40,539
Net profits	$ 81,229	$ 84,025	$ 85,965	$ 87,931	$ 92,150
Bal. forward	55,277	76,506	44,530	64,494	36,424
	$136,506	$160,531	$130,495	$152,425	$128,574

ESTABLISHED 1870

The Southern Loan and Savings Company

ST. THOMAS, ONT.

DIRECTORS:

GEORGE K. CROCKER, President.
R. KAINS, M.D., Vice-President.
J. A. BELL, C.E., 2nd Vice-President.
C. W. MARLATT, M.D.
E. A. MILLER.
W. L. WICKETT, B.A.
J. H. HOPKINS.

STATEMENT OF AFFAIRS
At the close of business on the 31st December, 1920.

LIABILITIES

To the Public:
Deposits and Accrued Interest $ 539,985.54
Debentures and Accrued Interest 782,935.21
Retained to Pay Prior Mortgage 2,705.80
$1,325,626.55

To the Shareholders:
Capital $ 900,000.00
Reserve 285,000.00
Dividend No. 35 and Bonus 36,000.00
Balance Forward 14,543.18
$1,235,543.18

$2,561,169.73

ASSETS

Office Premises $ 20,000.00
Mortgages:
Principal 2,160,830.47
Interest Accrued 70,662.93
$2,231,493.40
Loans on Company's Debentures $ 11,181.02
Bonds and Debentures:
Imperial War Loan 800.00
Dominion of Canada Victory Loans 202,355.89
Province of Ontario 10,075.20
Ontario Counties and Cities 37,457.11
Cash in Chartered Banks 40,640.31
Cash 7,166.80
$2,561,169.73

J. W. STEWART,
Manager.

SAVINGS DEPOSITS received and DEBENTURES issued at current rates of interest.
Executors and Trustees are authorized by law to transact business with this Company.
The Company's Loans are confined to the Province of Ontario.

THE TORONTO MORTGAGE CO.

13 TORONTO STREET, TORONTO

WELLINGTON FRANCIS, K.C., President
HERBERT LANGLOIS, Vice-President

Present Cash Value of Total Assets - - - $3,168,500.00
Surplus, Over all Liabilities to Public - - - 1,478,500.00

4% Allowed on Savings Deposits, Withdrawable by Cheque.

5½% Paid on Debentures in all Denominations for two to five years.

TELEPHONE MAIN 1221
LEGAL INVESTMENT FOR TRUST FUNDS
WALTER GILLESPIE Manager

SAFETY AND SECURITY

The care of estates and the administration of trust funds is the sole work of this company. Our experts are familiar with the law and practice regarding just administration and with the investment market.

Since its inception nearly a quarter of a century ago not a dollar has been written off as loss by the company. The steady and insistent growth in assets is evidence of increasing public confidence in its management.

Your dependent will not have occasion to regret the appointment of this company as the Executor of your Will.

The London & Western Trusts Company, Limited

ARTHUR T. LITTLE
President
JOHN S. MOORE
Manager
DUNCAN McARTHUR
Assistant Manager

Bank of Montreal

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid-up Capital Stock of this Institution, has been declared for the current quarter, payable on and after WEDNESDAY, the FIRST DAY OF JUNE next, to Shareholders of record of 30th April, 1921.

By order of the Board,

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 22nd April, 1921.

The Canadian Bank of Commerce

DIVIDEND NO. 137

NOTICE is hereby given that a dividend of Three per cent. upon the capital stock of this Bank, being at the rate of Twelve per cent. per annum, has been declared for the quarter ending 31st May next, and that the same will be payable at the Bank and its Branches, on and after Wednesday, 1st June, 1921. The transfer books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By Order of the Board.

JOHN AIRD,
General Manager.

Toronto, 22nd April, 1921.

Woods Manufacturing Company, Limited

COMMON STOCK DIVIDEND NOTICE.

THE regular quarterly dividend of two per cent. (2%) on the COMMON STOCK OF WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending May 31st, 1921, has been declared payable June 1st, 1921, to shareholders of record, May 21st, 1921.

By Order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, May 11th, 1921.

The Bank of Nova Scotia

DIVIDEND NO. 206.

NOTICE is hereby given that a Dividend at the rate of four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending June 30th, and that the same will be payable on and after Saturday, the 2nd day of July next, at any of the offices of the Bank in Canada.

The Stock Transfer Book will be closed from the 16th to the 30th proximo, inclusive.

By Order of the Board.

H. A. RICHARDSON,
General Manager.

Halifax, N.S., May 17, 1921.

Profitable Future for Gold Mines Assured

The Gold Mines of Northern Ontario are rapidly attaining a position which means a long period of heavy production.

The world-wide demand for gold insures ready, profitable markets.

With plenty of labor available, steadily lowering production costs and increased facilities for development the mines are now making substantial profits and will continue to do so.

STOBIE FORLONG & CO.
Members Toronto Stock Exchange
10-12 KING STREET EAST
HAMILTON TORONTO BRANTFORD

TO CABLE USERS

Economise without Sacrifice of Efficiency

Mark your messages to the United Kingdom "Via Marconi" and reduce your cable bill

RUSH RATE—18c. per word

File at any Marconi, C.P.R. or C.N.T. (G.N.W.) Telegraph Office.

The Mercantile Agency
R. G. DUN & CO.

Consult us before extending credit or if customers are delinquent.

Canadian Offices:
Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Moose Jaw, Saskatoon, Calgary, Edmonton, Lethbridge, Vancouver, Victoria.

Address enquiries to
R. G. DUN & CO.
Dominion Bank Bldg. - Toronto, Can.

Distribution—					
Dividends	$ 60,000	$ 66,000	$ 66,000	$ 66,000	$ 78,000
Reserve	.....	50,000	.....	50,000	.....
Balance	76,506	44,531	64,494	36,424	50,574
	$136,506	$160,531	$130,494	$152,424	$128,574

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 600,000	$ 76,103	9	12.6	6.5
1913	600,000	77,425	10	12.9	6.2
1914	600,000	76,940	10	12.8	6.1
1915	600,000	79,281	10	13.2	6.2
1916	600,000	81,229	10	13.5	6.3
1917	600,000	84,025	10+1	14.0	6.3
1918	600,000	85,965	10+1	14.3	6.4
1919	600,000	87,931	10+1	14.6	6.6
1920	600,000	92,150	12+1	15.3	6.6

MORTGAGE CORPORATION OF NOVA SCOTIA, HALIFAX

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 57,211	$ 64,480	$ 67,285	$ 74,815	$ 73,768
Interest—					
Deben., etc.	$ 13,214	$ 13,997	$ 14,379	$ 15,245	$ 14,465
Deposits	1,871	1,578	1,219	1,493	1,483
Cap. calls	1,034	984	747	714	720
Expenses	8,781	14,628	9,547	11,788	9,299
Directors	700	700	700	700	1,150
Written off	2,000	.....	1,500	1,000	.....
Patriotic	.....	750	350	.....	.....
Taxes	.....	.....	.....	.....	7,634
	$ 27,600	$ 32,637	$ 28,442	$ 30,940	$ 34,751
Net profits	$ 29,611	$ 31,843	$ 38,843	$ 43,875	$ 39,017
Bal. forward	228	456	154	262	110
Prem. on stocks	.....	.....	1,008	166	116
	$ 29,839	$ 32,299	$ 40,005	$ 44,303	$ 39,243
Distribution—					
Dividends	$ 20,383	$ 25,144	$ 27,743	$ 29,192	$ 29,774
Reserve	9,000	7,000	12,000	15,000	9,000
Balance	456	155	262	110	468
	$ 29,839	$ 32,299	$ 40,005	$ 44,302	$ 39,243

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	305,503	21,022	6	9.0	7.7
1914	331,130	24,151	6	8.6	7.5
1915	350,254	27,824	6	9.0	7.4
1916	384,310	29,611	6	9.0	7.0
1917	453,276	31,843	6	7.8	6.2
1918	499,146	38,843	6	8.4	6.9
1919	507,654	43,875	6	9.1	7.4
1920	513,541	39,017	6	7.9	6.3
1912	$ 282,382	$20,125	6	9.1	7.4
Dividends				10,417	20,942

NATIONAL TRUST COMPANY, TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$236,254	$251,333	$266,784	$281,140	$252,825
Patriotic	$ 13,500	$ 15,250	$ 13,000	$ 9,500	$ .....
Income tax	.....	10,000	14,000	24,200	17,800
	$ 13,500	$ 25,250	$ 27,000	$ 33,700	$ 17,800
Net profits	$222,754	$226,080	$239,784	$247,440	$235,025
Prem. on stock	.....	.....	.....	.....	375,000
Bal. forward	73,560	96,315	122,398	12,182	59,623
	$296,314	$322,395	$362,182	$259,622	$669,648
Distribution—					
Dividends	$150,000	$150,000	$150,000	$150,000	$185,232
Premises	50,000	50,000	50,000	50,000	.....
Reserve	.....	.....	100,000	.....	400,000
Special reserve	.....	.....	50,000	.....	.....
Balance	96,314	122,398	12,182	59,623	84,417
	$296,314	$322,398	$362,182	$259,623	$669,649

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,500,000	$242,042	10	16.1	8.3
1913	$1,500,000	252,022	10	16.8	8.7
1914	1,500,000	237,869	10	15.8	7.8
1915	1,500,000	218,902	10	14.9	7.2
1916	1,500,000	222,754	10	14.8	7.4
1917	1,500,000	226,080	10	15.0	7.4
1918	1,500,000	239,784	10	15.9	7.7
1919	1,500,000	247,440	10	16.4	8.0
1920	2,000,000	235,025	11	14.0	7.1

NORTHERN CANADIAN MORTGAGE, WINNIPEG

	1916	1917	1918	1919	1920
*Earnings	$ 13,982	$ 14,140	$ 21,384	$ 28,723	$ 35,119
Expenses	$ 3,927	$ 6,233	$ 9,300	$ 11,891	$ 14,327
Interest	1,962	3,696	4,068	2,848	2,011
Loss on sale	764	.....	53	.....	.....
	$ 6,653	$ 9,299	$ 13,421	$ 14,739	$ 17,238
	$ 7,329	$ 4,211	$ 7,963	$ 13,984	$ 17,881
Bal. forward	32,274	43,727	22,938	36,078	53,203
Adjustment	.....	.....	625	.....	.....
	$ 39,603	$ 47,938	$ 31,526	$ 50,062	$ 71,084
Dividends	$	$	$	$ 16,164	$ 21,819
Reserve	.....	25,000	.....	.....	.....
Balance	39,603	22,938	31,526	33,896	49,264
	$ 39,603	$ 47,938	$ 31,526	$ 50,060	$ 71,084

*For six months.

NORTHERN MORTGAGE COMPANY OF CANADA, WINNIPEG

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$113,057	$103,903	$114.860	$121,781	$133.883
Bal. forward	118,110	142,650	154,961	173,471	199,351
	$231,167	$246,553	$269,821	$295,252	$333,234
Distribution—					
Dividends	$ 88,517	$ 91,592	$ 93.088	$ 94.797	$ 96,061
Bal. forward	142,650	154,961	176.733	200,455	237,173
	$231,167	$246.553	$269,821	$295,252	$333,234

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,091,848	$ 74.587	5	6.3	6.2
1913	1,394,058	87,288	5	7.4	7.1
1914	1,617,392	109.419	5	7.5	7.1
1915	1,726.873	113.359	5	6.7	6.2
1916	1,814.322	113,057	5	6.5	6.2
1917	1,848,345	103.903	5	5.7	5.4
1918	1,881,675	114,860	5	6.1	5.7
1919	1,914,692	121,781	5	6.4	5.9
1920	1,925,599	133,883	5	6.9	6.3

NORTHERN TRUSTS COMPANY, WINNIPEG

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$154,113	$129.344	$127,697	$137.265	$136.448
Bal. forward	123,022	106,611	115,955	123,653	*135,592
	$277,135	$235,955	$243,652	$260,918	$272 040
Distribution—					
Dividends	$120.000	$120,000	$120.000	$120,000	$120,000
Reserve	50,000	.....	.....	.....	.....
Balance	17,135	115,955	123.652	140.918	152,040
	$277,135	$235,955	$243,652	$260,918	$272 040

*After deduction of staff bonus and tax.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1 452,980	$147,786	7	10.7	9.5
1913	1,498,510	168,406	7	11.4	9.9
1914	1,500,000	166,092	8	11.1	9.0
1915	1,500,000	162,524	8	10.8	8.0
1916	1,500,000	154,113	8	10.3	8.2
1917	1,500,000	129 344	8	8.6	6.8
1918	1,500,000	127,697	8	8.5	6.6
1919	1,500,000	137,265	8	9.1	7.1
1920	1,500,000	136,448	8	9.0	7.0

NOVA SCOTIA TRUST CO., HALIFAX

Distribution of Earnings.

	1916	1917	1918	1919	1920
Profits	$ 13 463	$ 15,173	$ 20,612	$ 26,672	*$24,146
Balance forward	26,734	28,683	32,511	18,244	912
	$ 40,197	$ 43,856	$ 53,123	$ 44,916	$ 25,058
Distribution—					
Dividends	$ 10,438	$ 11,346	$ 11 879	$ 22,004	$ 16,499
Reserve	.....	.....	20,000	20,000	.....
Written off	1,076	.....	.....	.....	.....
Depreciation	.....	.....	3,000	2,000	2,000
Balance	28,683	32,510	18,244	912	6 559
	$ 40,197	$ 43,856	$ 53,123	$ 44,916	$ 25,058

*Less taxes.

OKANAGAN LOAN & INVESTMENT CO., KELOWNA, B.C.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 36,159	$ 46,414	$ 45,441	$ 48,417	$ 59,461
Interest	$ 5,104	$ 3 792	$ 3,913	$ 3,075	$ 4,042
Expenses	11,714	10,612	11,252	11,658	15,949
Taxes	747	874	1,498	1,113	2,665
Depreciation	85	113	115	140	130
Written off	.....	.....	5,310	6,352	.....
	$ 17,650	$ 15,391	$ 22,088	$ 22,338	$ 22 786
Net profits	$ 18,509	$ 31,023	$ 23,353	$ 26,079	$ 36,675
Bal. forward	920	618	18	748	298
	$ 19,429	$ 31,641	$ 23,371	$ 26,827	$ 36,973
Distribution—					
Dividends	$ 7,811	$ 15,622	$ 15,622	$ 19,529	$ 27,255
Reserve	11,000	16,000	7,000	7,000	9,000
Balance	618	18	748	298	717
	$ 19,429	$ 31,641	$ 23,371	$ 26,827	$ 36,972

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1914	$ 384,840	$ 30,328	7	8.0	7.9
1915	390,560	16,417	2	4.2	3.8
1916	390,560	18,509	2	4.7	4.1
1917	390,560	31,023	4	7.9	6.7
1918	390,580	23,353	4	6.0	5.0
1919	390,580	26,079	5	6.6	5.5
1920	390,580	36,675	7	9.6	7.8

ONTARIO LOAN AND DEBENTURE CO., LONDON, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$506,923	$489,048	$478,250	$501,085	*$279,893
Interest—					
Sterling debs.	$ 85,748	$ 71,031	$ 64,519	$ 69,263	$ .....
Currency	54,920	54,032	53,098	62,292	.....
Deposits	35,499	33,877	29,313	31,385	.....
Taxes	8,216	8,151	7,671	7,901	.....
Expenses (debs.)	3,811	1,043	4,113	5,646	.....
Commissions, etc.	18,082	17,674	13,764	12,962	.....
Management	32,043	34,949	38,006	40,799	.....
War tax	7,522	10,181	14,027	23,155	28,864
Patriotic	.....	3,500	3,000	1,500	.....
	$245,841	$234,438	$227,511	$254,903	$ 28,864
Net profits	$261,082	$254,610	$250,739	$246,182	$251,029
†Surplus	.....	.....	.....	.....	23,000
Bal. forward	50,012	53,593	50,703	43,942	32,623
	$311,094	$308,203	$301,442	$290,124	$306,652
Distribution—					
Dividends	$157,500	$157,500	$157,500	$157,500	$175,000
Reserve	100,000	100,000	100,000	100,000	100,000
Balance	53,594	50,703	43,942	32,624	31,653
	$311,094	$308,203	$301,442	$290,124	$3[illegible]6,653

*After payment of interest, expenses and taxes, etc.

†Surplus realized from sale of old office building.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,750,000	$238,543	8	13.6	7.6
1913	1,750,000	253,733	8½	14.5	7.8
1914	1,750,000	254,788	9	15.0	7.7
1915	1,750,000	264,365	9	15.5	7.7
1916	1,750,000	261,082	9	15.3	7.4
1917	1,750,000	254,610	9	15.0	7.0
1918	1,750,000	250,739	9	14.7	6.5
1919	1,750,000	246,182	9	14.4	6.3
1920	1,750,000	251,029	9+1	14.8	6.4

OWEN SOUND LOAN & SAVINGS CO., OWEN SOUND

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 13,226	$ 13,626	$ 13,687	$ 13,670	$ 14.924
Interest—					
On deposits	$ 3,226	$ 3,437	$ 3 057	$ 3,398	$ 3,320
On bank loans	.....	.....	.....	.....	343
Expenses & taxes	2,182	2,267	2,379	2,167	2,994
	$ 5,408	$ 5,704	$ 5,436	$ 5,565	$ 6,657
Net profits	$ 7,710	$ 7,922	$ 8,251	$ 8,105	$ 8,267
Dividends	$ 7,613	$ 7,769	$ 7,850	$ 8,056	$ 8 231
Balance	97	152	401	49	36
	$ 7,710	$ 7,922	$ 8,251	$ 8,105	$ 8,267

PEOPLE'S LOAN & SAVINGS CO., LONDON, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 57,084	$ 63,272	$ 64,155	$	$ .....
Interest—					
Deposits	$ 7,380	$ 8,726	$ 5,606	$	$ .....
Debentures	5,828	6,626	6,457	.....	.....
Taxes, Gov. fees	2,548	3,424	3,600	.....	...N
Written off	.....	.....	363	.....	.....
	$ 25,394	$ 33,417	$ 33,843	$	$ .....
Net profits	$ 31,690	$ 29,855	$ 30,312	$ 31,654	$ 28,393
Bal. forward	1,193	1,789	949	2,149	4,589
	$ 32,883	$ 31,644	$ 31,261	$ 33,803	$ 32,982
Distribution—					
Dividends	$ 28,094	$ 28,695	$ 24,112	$ 24,214	$ 24,398
Reserve	3,000	2,000	5,000	5,000	5,000
Balance	1,789	949	2,149	4,589	3,584
	$ 32,883	$ 31,644	$ 31,261	$ 33,803	$ 32,982

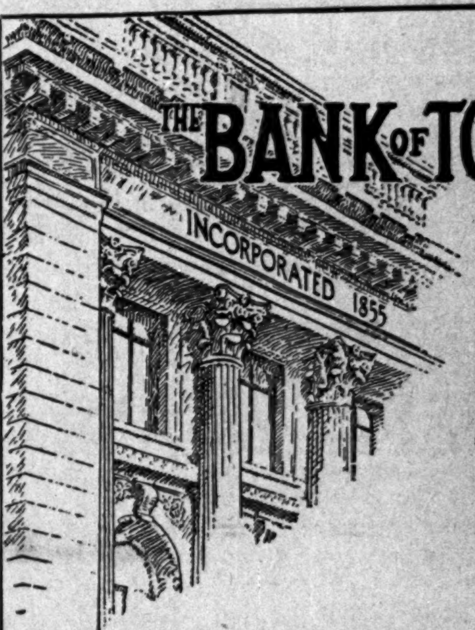
Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 418,300	$ 27,776	6	7.5	6.7
1913	438,238	28,218	6	6.5	6.0
1914	451,873	30,176	6	6.7	6.2
1915	463,621	29,840	6	6.5	5.9
1916	474,394	31,690	6	6.7	6.3
1917	480,877	29,855	6	6.2	5.7
1918	482,954	30,312	5	6.3	5.7
1919	486,720	31,654	5	6.5	5.9
1920	489,388	28,392	5	6.0	5.2

PREMIER TRUST CO., LONDON.

Distribution of Earnings.

	1917	1918	1919	1920
Earnings	$ 10,049	$ 10,526	$ 13,065	$ 13,855
Expenses	$ 3,569	$ 4,564	$ 4,546	$ 4,288
Interest	671	1,235	1,519	2,016
Taxes	57	.....	177	201
	$ 4,297	$ 5,799	$ 6,242	$ 6,505
Profits	$ 5,752	$ 4,727	$ 6,823	$ 7,350
Brought forward	3,066	1,864	2,015	1,065
	$ 8,818	$ 6,591	$ 8,838	$ 8,415
Dividends	$ 6,953	$ 4,576	$ 4,773	$ 6,321



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INCORPORATED 1855

For Sixty-Five Years.

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New Branches have been opened, many valuable connections formed, and numerous facilities added to maintain their service at the highest point of efficiency. Yet we have not outgrown the good banking practice which enables even the smallest customer to reach the chief executives. Personal consideration is given to every customer's requirements.

An account at this Bank will be satisfactory to you, and your connection is invited.

Capital $5,000,000

We Give Service

Reserves $6,986,354

THOS. F. HOW, General Manager

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Satisfactory Service Guaranteed

Prudential Trust Company, Limited

Dominion Charter authorizes the Company to act in the following capacities:

RELATIVE TO ESTATES—Administrator, Executor, Guardian, Management of Properties, Collection of Rents, Real Estate Bought, Sold, and Exchanged.

FINANCIAL AGENTS—Investments Made—Securities Held.

INSURANCE BROKERS—All lines—Fire, Marine, Accident, Liability, etc., placed in best Companies at lowest rates.

FIDUCIARY—Trustees for Bondholders, Transfer Agents, and Registrars for Stocks and Companies.

The business generally which a Trust Company may undertake alone, or jointly with one or more.

Consultation invited by letter or in person.

B. HAL BROWN, President. J. P. STEEDMAN, Vice-President.

Head Office: MONTREAL

Branches throughout Canada and in London, Eng.

ONTARIO

TENDERS FOR PULPWOOD and TIMBER LIMIT

TENDERS will be received by the undersigned up to and including the 4th day of July, 1921, for the right to cut pulpwood and pine timber on a certain area situated in the vicinity of Long Lake, District of Thunder Bay.

Tenderers shall state the amount per cord on pulpwood, and per thousand feet, board measure, on pine, that they are prepared to pay as a bonus in addition to dues of 80 cents per cord for spruce and 40 cents per cord for other pulpwoods, and $2.50 per thousand feet, board measure, for pine, or such other rates as may from time to time be fixed by the Lieutenant-Governor-in-Council, for the right to operate a pulp mill and a paper mill on or near the area referred to.

The successful tenderer shall be required to erect a mill or mills on or near the territory and to manufacture the wood into pulp and paper in the Province of Ontario.

Parties making tender will be required to deposit with their tender a marked cheque, payable to the Honourable the Treasurer of the Province of Ontario, for fifty thousand dollars ($50,000), which amount will be forfeited in the event of the successful tenderer not entering into agreement to carry out conditions, etc.

The said $50,000 shall remain on deposit until the pulp mill, as provided by terms and conditions of sale, is erected and in operation. Any timber cut in the meantime shall be subject to payment of dues and bonus as accounts for same are rendered. After the said pulp mill is erected and in operation the deposit of $50,000 may be applied on account of bonus dues as they accrue, but the regulation dues, as mentioned above, shall be paid in the usual manner as returns for cutting of wood and timber are received and accounts rendered.

The highest or any tender not necessarily accepted.

For particulars as to description of territory, capital to be invested, etc., apply to the undersigned.

All tenders should be enclosed in sealed envelope and marked plainly on outside, "Tender for Long Lake Pulp and Timber Limit."

BENIAH BOWMAN,
Minister of Lands and Forests.

Toronto, January 24th, 1921.

N.B.—No unauthorized publication of this notice will be paid for.

ONTARIO

TENDERS FOR PULPWOOD and TIMBER LIMI

TENDERS will be received by the undersigned up to and including the 15th day of June, 1921, for the right to cut pulpwood and pine timber on a certain area situated on the Nagagami River and other territory adjacent thereto, in the District of Algoma.

Tenderers shall state the amount per cord on pulpwood, and per thousand feet, board measure, on pine, that they are prepared to pay as a bonus in addition to dues of 80 cents per cord for spruce and 40 cents per cord for other pulpwoods, and $2.50 per thousand feet, board measure, for pine, or such other rates as may from time to time be fixed by the Lieutenant-Governor-in-Council, for the right to operate a pulp mill and a paper mill on or near the area referred to.

The successful tenderer shall be required to erect a mill or mills on or near the territory and to manufacture the wood into pulp and paper in the Province of Ontario.

Parties making tender will be required to deposit with their tender a marked cheque, payable to the Honourable the Treasurer of the Province of Ontario, for fifty thousand dollars ($50,000), which amount will be forfeited in the event of the successful tenderer not entering into agreement to carry out conditions, etc.

The said $50,000 shall remain on deposit until the pulp mill, as provided by terms and conditions of sale, is erected and in operation. Any timber cut in the meantime shall be subject to payment of dues and bonus as accounts for same are rendered. After the said pulp mill is erected and in operation the deposit of $50,000 may be applied on account of bonus dues as they accrue, but the regulation dues, as mentioned above, shall be paid in the usual manner as returns for cutting of wood and timber are received and accounts rendered.

The highest or any tender not necessarily accepted.

For particulars as to description of territory, capital to be invested, etc., apply to the undersigned.

All tenders should be enclosed in sealed envelope and marked plainly on outside, "Tender for Nagagami Pulp and Timber Limit."

BENIAH BOWMAN,
Minister of Lands and Forests.

Toronto, January 24th, 1921.

N.B.—No unauthorized publication of this notice will be paid for.

Safety Deposit Boxes
Securities for Safe-Keeping

The distinction should be noted between the safe DEPOSIT of securities and the CARE of securities. This Company rents Safety Deposit Boxes for the deposit of valuable papers to which the renter alone or his authorized agent has access. When securities are placed in the CARE of this Company, it not only safeguards them, but it also collects the income, remits proceeds, makes accurate accounting and performs other valuable services.

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Premises in the Merchants Bank Building in each city

THE CANADA TRUST COMPANY
Managed in Connection With the Half-Century Old
The Huron & Erie Mortgage Corporation
HEAD OFFICE: LONDON, CANADA

BRANCHES:
LONDON (THREE), TORONTO
WINNIPEG, REGINA, EDMONTON
WINDSOR, ST. THOMAS, CHATHAM

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CAPITAL TRUST CORPORATION
Authorized Capital $2,000,000.00

Carries on a general trust company business. Acts as Executor and Trustee under Wills, Administrator, Guardian, Trustee for Bond Issues, Financial Agents.

Authorized Trustee in Bankruptcy and will undertake the management of properties for a long or short period at any time.

Confidential consultations by mail or in person on any of the above subjects are free and are always welcome. All matters entrusted to us will secure prompt and efficient attention.

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Mgr. Toronto Office
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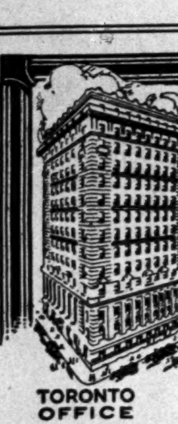

ESTABLISHED 1872
TORONTO OFFICE

THE immense resources of Canada must be developed to increase production of wealth sufficiently to take care of the country's indebtedness and to stimulate a continuous healthy growth. The Bank of Hamilton stands behind increased production and legitimate business enterprise.

BANK OF HAMILTON
BRANCHES THROUGHOUT CANADA

Reserve	.....	.....	3,000	2,000
Balance	1,865	2,015	1,065	93
	$ 8,818	$ 6,591	$ 8,838	$ 8,415

PRUDENTIAL TRUST COMPANY, MONTREAL

Distribution of Earnings.

	1916	1917	1918	1919	1920
Net profits	$ 4,849	$ 3,688	$ 25,863	$ 30,687	$ 41,894
Contingent res.	$ 4,849	$ 3,688	$ 25,863	$ 30,687	$ 35,976
Dividends	.....	.....	.....	.....	5,918
	$ 4,849	$ 3,688	$ 25,863	$ 30,687	$ 41,894

REAL ESTATE LOAN CO., TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$100,113	$ 99,169	$ 84,743	$ 84,151	$ 90,087
Deductions—					
Interest	$ 30,259	$ 30,890	$ 30,766	$ 31,345	$ 26,641
Expenses	1,298	853	731	1,446	816
Management	10,631	10,724	10,786	11,432	12,380
Taxes	2,756	3,123	2,579	3,711	10,188
	$ 44,944	$ 45,590	$ 44,862	$ 47,934	$ 50,025
Net earnings	$ 55,169	$ 53,579	$ 39,881	$ 36,217	$ 40,062
Bal. forward	6,407	5,375	2,754	6,434	1,451
	$ 61,576	$ 58,954	$ 42,635	$ 42,651	$ 41,513
*Less	1,200	1,200	1,200	1,200	1,200
	$ 60,376	$ 57,754	$ 41,435	$ 41,451	$ 40,313
Distribution—					
Dividends	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000
Reserve	20,000	20,000	.....	5,000	.....
Balance	5,376	2,754	6,435	1,451	5,313
	$ 60,376	$ 57,754	$ 41,435	$ 41,451	$ 40,313

*Voted to President and Vice-President.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 500,000	$ 51,726	6½	10.4	8.0
1913	500,000	57,258	7	11.4	8.6
1914	500,000	57,621	7	11.5	8.5
1915	500,000	56,695	7	11.3	8.1
1916	500,000	55,169	7	11.0	7.7
1917	500,000	53,579	7	10.7	7.2
1918	500,000	39,881	7	8.0	5.2
1919	500,000	36,217	7	7.2	5.0
1920	500,000	40,062	7	8.0	5.5

ROYAL LOAN AND SAVINGS CO., BRANTFORD

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$146,195	$161,727	$168,143	$170,115	$170,692
Interest	$ 63,485	$ 64,538	$ 62,944	$ 62,609	$ 66,144
Expenses	18,753	21,702	22,528	27,056	27,742
War tax	1,641	1,677	6,000	.....	6,000
Patriotic	1,750	3,250	3,750	700	.....
Written off	.....	5,000	.....	.....	.....
	$ 85,629	$ 96,167	$ 95,222	$ 90,365	$ 99,886
Net profits	$ 60,566	$ 65,560	$ 72,921	$ 79,750	$ 70,806
Bal. forward	919	3,184	5,744	10,666	11,416
Premiums	4,140	.....	.....	.....	.....
	$ 65,625	$ 68,744	$ 78,665	$ 90,416	$ 82,222
Distribution—					
Dividends	$ 47,438	$ 48,000	$ 48,000	$ 54,000	$ 54,000
Reserve	15,000	15,000	20,000	25,000	20,000
Balance	3,185	5,744	10,665	11,416	8,223
	$ 65,625	$ 68,744	$ 78,665	$ 90,416	$ 82,223

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 580,600	$ 61,707	7	10.6	7.1
1913	581,700	66,241	7	11.4	7.4
1914	585,250	57,814	7½	9.9	6.1
1915	586,200	56,524	8	9.7	5.9
1916	600,000	60,566	8	10.2	6.3
1917	600,000	65,560	8	10.9	6.6
1918	600,000	72,921	8	12.1	7.2
1919	600,000	79,750	9	13.2	7.7
1920	600,000	70,806	9	11.8	6.6

SASKATCHEWAN GENERAL TRUSTS CORPORATION, REGINA.

Distribution of Earnings.

	1918	1919	1920
Profits	$ 7,682	$ 9,348	$ 10,292
Tax reserve	350	802	849
Net profits	$ 7,332	$ 8,546	$ 9,443
Premium on stock	.....	1,161	.....
Bal. forward	4,581	6,842	4,839
	$ 11,913	$ 16,549	$ 14,282
Distribution—			
Dividend	$ 5,071	$ 6,358	$ 7,208
Depreciation	.....	152	.....
Reserve	.....	5,200	.....
Balance	6,842	4,839	7,074
	$ 11,913	$ 16,549	$ 14,282

SASKATCHEWAN LOAN & INVESTMENT CO., MOOSE JAW

Distribution of Earnings.

	1918	1919	1920
Profits	$ 24,417	$ 25,280	$ 26,649
Tax reserve	$ 750	$ 2,200	$ 2,578
	$ 23,667	$ 23,080	$ 24,071
Adjustments	.....	410	.....
Bal. forward	8,561	7,859	5,323
	$ 32,228	$ 31,349	$ 29,394
Distribution—			
Dividends	$ 19,369	$ 21,026	$ 22,476
Reserve	5,000	5,000	.....
Balance	7,859	5,323	6,917
	$ 32,228	$ 31,349	$ 29,394

SASKATCHEWAN MORTGAGE AND TRUST CORPORATION, REGINA

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 60,284	$ 64,639	$ 70,421	$ 73,691	$ 80,384
Expenses	$ 17,251	$ 15,447	$ 16,008	$ 16,992	$ 19,511
Interest	5,856	4,507	3,282	2,421	1,724
	$ 23,107	$ 19,954	$ 19,290	$ 19,413	$ 21,235
Net profits	$ 37,177	$ 44,685	$ 51,131	$ 54,278	$ 59,149
Bal. forward	4,205	4,862	10,247	9,637	7,336
	$ 41,382	$ 49,547	$ 61,378	$ 63,915	$ 66,485
Distribution—					
Dividends	$ 36,520	$ 39,300	$ 41,905	$ 44,905	$ 46,201
Reserves	.....	.....	10,000	10,000	9,929
Balance	4,862	10,247	9,473	9,824	10,354
	$ 41,382	$ 49,547	$ 61,378	$ 63,915	$ 66,484

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 492,807	$ 17,685	7	13.5	9.6
1913	621,456	23,230	7	11.2	8.7
1914	710,947	33,455	7	9.5	7.0
1915	733,600	42,648	*7	8.2	7.6
1916	759,686	37,177	6	6.2	5.7
1917	777,206	44,685	6	6.8	5.3
1918	791,043	51,131	6	7.3	6.4
1919	808,705	54,278	6	7.4	6.7
1920	824,070	59,149	6	7.6	6.5

*The rate was reduced to 6% during the last 6 months.

SECOND INVESTORS' MORTGAGE SECURITY COMPANY, SCOTLAND

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$107,170	$111,520	$112,075	$118,935	$135,660
Directors fees	$ 8,260	$ 8,350	$ 8,425	$ 8,640	$ 9,845
Expense	5,125	4,085	3,785	3,360	3,435
Income tax	14,345	28,380	36,410	41,695	41,140
	$ 27,730	$ 40,815	$ 48,620	$ 53,695	$ 54,420
Net profits	$ 79,440	$ 70,705	$ 63,455	$ 65,240	$ 81,240
Bal. forward	6,495	11,255	16,056	18,200	19,115
	$ 85,935	$ 81,960	$ 79,510	$ 83,440	$100,355
Dividends	$ 65,470	$ 62,645	$ 61,110	$ 60,985	$ 74,745
Reserve	9,210	3,260	200	3,340	4,780
Balance	11,255	16,055	18,200	19,115	20,830
	$ 85,935	$ 81,960	$ 79,510	$ 83,440	$100,355

In the foregoing analysis, the company's figures in sterling have been converted on the basis of $5 to the £.

SECURITY LOAN AND SAVINGS COMPANY, ST. CATHARINES, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 48,065	$ 46,285	$ 48,166	$ 48,079	$ 44,320
War taxes	692	898	694	722	728
Patriotic	750	1,000	450	.....	.....
	$ 1,442	$ 1,898	$ 1,144	$ 722	$ 728
Net profits	$ 46,623	$ 44,387	$ 47,022	$ 47,357	$ 43,592
Bal. forward	2,412	1,514	4,506	5,075	5,737
	$ 49,036	$ 45,901	$ 51,528	$ 52,432	$ 49,329
Distribution—					
Dividends	$ 30,521	$ 31,394	$ 31,452	$ 31,695	$ 31,938
Reserve	17,000	10,000	15,000	15,000	15,000
Balance	1,514	4,506	5,075	5,737	2,390
	$ 49,035	$ 45,900	$ 52,527	$ 52,432	$ 49,328

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 400,000	$ 28,956	5	7.8	6.8
1913	450,250	34,811	5	8.2	7.1
1914	496,575	39,468	5	8.3	7.2
1915	500,000	41,278	6	9.1	7.6
1916	521,000	46,623	6	9.2	7.6
1917	524,200	44,387	6	8.5	7.0
1918	524,200	47,022	6	9.0	7.1
1919	532,300	47,357	6	9.1	7.0
1920	532,300	43,592	6	8.2	6.3

SOUTHERN LOAN AND SAVINGS CO., ST. THOMAS

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$141,414	$146,804	$147,293	$157,862	$167,216
Expense—					
Interest	$ 49,360	$ 52,767	$ 52 021	$ 55 713	$ 62,068
Expenses	9,902	11,114	10,979	12,299	12,385
Directors	572	736	580	816	895
Taxes	138	.....	142	152	12,193
License	1,520	1,704	1.570	1,558	.....
Commissions	2,249	2,409	2,267	4,578	1,912
Loss	124	.....	.....	.....	.....
Written off	3,250	2,000	.....	.....	.....
Patriotic	500	500	500	500	.....
War tax	1,383	1,494	1,465	2,789	.....
Tax reserve	.....	.....	.....	1,400	.....
	$ 68,998	$ 72,724	$ 69,524	$ 79,805	$ 89,453
Net profits	$ 72,416	$ 74,080	$ 77,769	$ 78,057	$ 77,763
Bal. forward	9,134	12,012	15,957	19,725	14,781
	$ 81,550	$ 86,092	$ 93,726	$ 97,782	$ 82,544
Distribution—					
Dividends	$ 54,537	$ 54,000	$ 54,000	$ 63,000	$ 63,000
Reserves	15,000	15,000	20,000	20,000	15,000
Stock reduction	.....	1,134	.....	.....	.....
Balance	12,012	15,958	19,726	14,782	14,543
	$ 81,550	$ 86,092	$ 93,726	$ 97,782	$ 82,543

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 907,150	$ 67,960	6	7.5	6.4
1913	907,500	69,994	6	7.7	6.5
1914	907,950	72,202	6	8.0	6.6
1915	908,950	73,670	6	8.2	6.6
1916	908,950	72,416	6	8.0	6.6
1917	900,000	74,080	6	8.2	6.7
1918	900,000	77,769	6	8.6	7.0
1919	900,000	78,057	6+1	8.6	6.9
1920	900,000	77,763	6+1	8.6	6.5

THE STANDARD TRUSTS COMPANY, WINNIPEG

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$ 87,919	$ 94,171	$ 93,785	$111,004	$101,822
Balance forward	4,448	20,487	27,158	5,641	26,645
Prem. on stock	.....	.....	62,500	.....	.....
	$ 92,367	$114,658	$183,443	$116,645	$127,467
Less war tax	4,380	.....	.....	.....	.....
	$ 87,987	$114,658	$183,442	$116,645	$127,467
Distribution—					
Dividends	$ 67,500	$ 67,500	$ 77,803	$ 90,000	$ 90,000
Reserve	.....	20,000	100,000	.....	.....
Balance	20,487	27,158	5,640	26,645	38,468
	$ 87,987	$114,658	$183,443	$116,645	$128,468

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 500,000	$104,982	8½	20.9	14.9
1913	750,000	135,348	9	20.0	14.3
1914	750,000	118,155	9	15.7	10.2
1915	750,000	98,265	9	13.2	8.1
1916	750,000	87,919	9	11.7	7.1
1917	750,000	94,171	9	12.5	7.7
1918	1,000,000	83,785	9	10.9	6.8
1919	1,000,000	111,004	9	11.1	7.5
1920	1,000,000	101,822	9	10.1	6.3

STERLING TRUSTS CORPORATION, TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Net earnings	$ 16,007	$ 20,198	$ 24,004	$ 62,197	$ 34,410
Bal. forward	7,793	3,800	8,998	8,002	8,279
Trans, from res.	.....	.....	.....	100,000	.....
	$ 23,800	$ 23,998	$ 33,002	$170,199	$ 42,689
Reserves	$ 20,000	$ 15,000	$ 25,000	$	$ .....
Balance	3,800	8,998	8,002	8,279	21,320
Assets writ. down	.....	.....	.....	161,920	.....
*Appropriation	.....	.....	.....	.....	21,368
	$ 23,800	$ 23,998	$ 33,002	$170,199	$ 42,689

*Appropriation in respect of loss on operation of Great Northern Land Co.

TORONTO GENERAL TRUSTS CORPORATION, TORONTO

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$619,339	$621,447	$654,130	$757,338	$820,269
Expenses	$297,956	$220,561	$332,161	$413,354	$466,556
Patriotic	13,500	12,000	13,000	6,500	.....
Written off	25,000	25,000	30,600	19,767	41,067
War tax	12,000	11,000	12,000	25,000	25,000
	$348,456	$368,561	$387,761	$646,621	$532,623
Net profits	$270,883	$252,886	$266,369	$292,717	$287,646
Prem. on stock	.....	.....	.....	.....	171,395
Bal. forward	77,674	98,557	101,443	152,812	265,529
	$348,557	$351,443	$367,812	$445,529	$724,570
Distribution—					
Dividends	$150,000	$150,000	$165,000	$180,000	$180,000
Int. on stock	.....	.....	.....	.....	1,407
Reserves	100,000	100,000	50,000	.....	250,000
Balance	98,557	101,443	152,812	265,529	293,163
	$348,557	$351,443	$367,812	$445,529	$724,570

A SQUARE DEAL FOR THE SETTLER

By J. W. DAFOE, editor-in-chief of the Manitoba Free Press

In times of difficulty and distress the dependence of all sections of the community upon one another is revealed far more clearly than in periods of abounding prosperity when the need for co-operative action is not so apparent.

At the moment Canada is faced with a problem of immense magnitude; how to induce the rapid and successful development of the vacant lands in the West in proximity to the railway lines.

The old immigration movement—the combined result of many independent agencies, among them the Government, railways and land companies—was pretty well over before the war came to put a complete stop to enterprises of this character.

Now the factors of the problem are so changed that the old agencies, if they could be revived and got back to work again, could not renew their old successes. Everything is changed; the character of the settlers required, the nature of the appeal that must be made to secure them and the machinery by which they can be transported and placed in locations where their presence will be advantageous to themselves and of benefit to the country.

The immigrants most needed are people who will come with a view to securing farm homes for themselves; they must have a moderate amount of capital now that there are no more free homesteads, and experience in farm work, or at least aptitude for it is desirable. There is no lack in the world to-day of people of this type, to whom the prospect of a home in Western Canada, if it could be brought before them, would make an irresistible appeal just as there are available for them the very homes they desire if some method can be found to bring the vacant lands and the homeseeker together.

The Western Canada Colonization Association has come into existence in the expectation that it will be able to render a great public service by devising and carrying out plans by which the desirable immigrant in other lands over the sea, or south of the line, will be secured, brought to Western Canada, placed on suitable land and given such encouragement as may be necessary to make him a contented and prosperous settler.

The Western Canada Colonization Association will devote its energies primarily to inducing the right kind of settler to come to Canada. It will do this work in co-ordination with every agency existing, or hereafter to be called into being, devoted to the same purpose. The more the better, provided they work towards a common object and co-operate to this end.

The association is not a land selling agency. It has no interest in any particular district and is not concerned in the disposal of privately held lands. Yet it is very obvious that if settlers are secured for Western Canada they will require land. If they can get the land they want at the price they can afford to pay, in a locality that meets their wishes, the plan will work. After the first thousand settlers are succesfully placed, the current of immigration will set in steadily and will never cease until the vacant places in the West are filled.

But the successful placing of the settler after he is secured is the very foundation stone of the enterprise; lacking it the movement must fail. The Western Canada Colonization Association have asked the people of Western Canada to attend themselves to this matter, of such vital importance to them, through the agency of their own provincial governments.

In the memorial presented to the governments of Manitoba, Saskatchewan and Alberta by the association the outlines of the proposed plans are drawn. Briefly each government is asked to create a land board for its province, which will list all vacant lands with prices fixed for two years and issue maps and literature showing the location of this land and giving the facts as to the price and the character of the soil. Provision is made insuring a reasonable valuation and owners will be asked to name agents empowered to make sales.

If this plan is carried out the Western Canada Colonization Association and every other immigration agency operating outside of Canada will be able to put into the hands of the prospective immigrant the information which will make his removal to a new home in Western Canada a business investment instead of a highly speculative venture. He will be able to decide beforehand the district to which he is to go and he will know

Continued on page 32.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,250,000	$216,760	10	18.0	12.7
1913	1,500,000	277,889	10	18.5	10.6
1914	1,500,000	308,126	10	20.0	10.2
1915	1,500,000	312,826	10	20.8	10.4
1916	1,500,000	270,883	10	18.0	8.2
1917	1,500,000	252,886	10	17.0	7.4
1918	1,500,000	266,369	10+1	18.0	7.6
1919	1,500,000	292,717	10+2	19.4	8.1
1920	1,726,960	287,646	11+1	19.1	7.6

TORONTO MORTGAGE CO., TORONTO.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	$211,594	$203,835	$206,155	$213,568	$216,641
Interest					
Sterling debts	$ 70,165	$ 67,484	$ 69,917	$ 75,282	$ 74,480
Currency debs..	13,811	12,309	12,341	12,615	12,620
Deposits	3,856	3,747	3,539	3,441	3,329
Charges on money	3,007	4,197	5,704	5,116	2,893
Management	21,738	21,072	19,890	21,298	29,933
Patriotic	*3,877	*4,204	*5,222	.....	.....
War Tax	.....	.....	.....	5,643	.....
	$116,454	$113,013	$116,613	$123,395	$123,255
Net profits	$ 95,140	$ 90,822	$ 89,542	$ 90,173	$ 93,386
Balance forward	27,835	35,010	37,871	39,449	39,412
†Prov. for loss ...	.....	.....	.....	25,000	.....
	$122,975	$125,832	$127,413	$154,622	$132,798
Distribution—					
Dividends	$ 57,964	$ 57,964	$ 57,964	$ 65,209	$ 65,209
Reserve	30,000	30,000	30,000	50,000	30,000
Balance	35,011	37,871	39,449	39,413	37,588
	$122,975	$125,835	$127,413	$154,622	$132,798

*Includes war taxes.

†Prior provision for losses not now required.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 724,550	$ 77,516	7	10.7	6.7
1913	724,550	86,841	8	12.0	7.3
1914	724,550	90,437	8	12.6	7.5
1915	724,550	93,038	8	13.0	7.4
1916	724,550	95,140	8	13.1	7.8
1917	724,550	90,822	8	12.6	6.9
1918	724,550	89,542	8	12.4	6.7
1919	724,550	90,173	8+1	12.5	6.7
1920	724,550	93,386	9	12.9	6.7

TORONTO SAVINGS AND LOAN CO PETERBORO, ONT.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Profit	$148,485	$150,554	$147,903	$148,389	$155,825
Balance forward .	87,662	36,147	36,701	34,604	42,993
	$236,147	$186,701	$184,604	$182,993	$198,818
Distributions—					
Dividends	$100,100	$100,000	$100,000	$140,000	$140,000
Reserve	100,000	50,000	50,000	.....	.....
Bal. forward .	36,147	36,701	34,604	42,993	58,818
	$236,147	$186,701	$184,604	$182,993	$198,818

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,000,000	$146,811	10	14.6	8.1
1913	1,000,000	157,102	10	15.7	8.4
1914	1,000,000	135,658	10	13.5	7.0
1915	1,000,000	141,668	10	14.2	7.3
1916	1,000,000	148,485	10	14.8	7.5
1917	1,000,000	150,554	10	15.0	7.4
1918	1,000,000	147,903	10	14.7	7.1
1919	1,000,000	148,389	10+4	14.8	7.0
1920	1,000,000	155,825	12+2	15.5	7.4

THE TRUSTEE COMPANY OF WINNIPEG, WINNIPEG

Distribution of Earnings.

	1916	1917	1918	1919	1920
Net profits	$	$	$ 8,525	$ 9,779	$ 10,481
Balance forward .	.....	.....	435	345	496
	.....	.....	$ 8,960	$ 10,124	$ 10,977
Distribution—					
Dividends	.....	.....	$ 7,214	$ 7,629	$ 8,394
Reserve	.....	.....	1,400	2,000	2,000
Balance	.....	.....	345	496	583
	.....	.....	$ 8,960	$ 10,125	$ 10,977

TRUSTS AND GUARANTEE CO., TORONTO

Distribution of Earnings

	1916	1917	1918	1919	1920
Earnings	$105,146	$107,966	$107,543	$110,175	$111 975
Balance forward .	303,642	416,370	441,142	465,244	*232,095
	$408,788	$524,336	$548,685	$575,419	$344,070
Distribution—					
Dividends	$ 82,418	$ 83,194	$ 83,441	$ 83,856	$ 84,488
Balance forward	416,370	441,141	465,244	491,563	259,582
	$408,788	$524,336	$548,685	$575,419	$344,070

*Less amount written off on realization and revaluation of securities.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,344,901	$117,906	6	8.8	7.3
1913	1,350,547	125,082	6	9.3	7.6
1914	1,361,616	106,077	6	7.8	6.2
1915	1,369,314	102,261	6	7.5	5.0
1916	1,380,655	105,146	6	7.8	5.9
1917	1,388,364	107,966	6	7.8	6.0
1918	1,391,928	107,543	6	7.7	5.8
1919	1,402,469	110,175	6	7.9	6.0
1920	1,409,109	111,975	6	8.0	5.9

THE TRUST & LOAN COMPANY OF CANADA.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Incime ..	$1,432,095	$1,406,640	$1,387,285	$1,324,155	$1,480,780
Earnings	$ 625,020	$ 621,470	$ 634,460	$ 550,310	$ 592,875
Distribution—					
Stat. res.	$ 222,510	$ 220,735	$ 147,080	$	$ ......
Spec'l res.	5,375	3,625	......	......	......
Income tax	90,670	87,190	75,770	42,695	14,000
Dividend .	277,500	150,000	150,000	225,000	225,000
Contingents	......	......	25,000	50,000	150,000
Deduct ..	$ 596,055	$ 461,550	$ 397,850	$ 317,695	$ 289,000
Balance .	$ 28,965	$ 159,920	$ 236,610	$ 232,625	$ 203,875
Previous	152,525	170,240	180,160	266,770	274,385
Total ...	$ 171,490	$ 330,160	$ 416,770	$ 499,395	$ 478,260

Rate of Earnings.

Year	Paid-up Capital	Earnings	Div.
1913	$3,000,000	$620.259	9
1914	3,000,000	620,235	9
1915	3,000,000	607,297	8
1916	3,000,000	625,020	10
1917	3,000,000	621,470	10
1918	3,000,000	634,460	12½
1919	3,000,000	550,310	15
1920	3,000,000	592,875	15

In the foregoing analysis the company's figures in sterling have been converted on the basis of $5 to the £.

1916 1917 1918 1919 1920

UNION TRUST COMPANY, TORONTO.

Distribution of Earnings.

	1916	1917	1918	1919	1920
*Earnings	$127,445	$ 94,187	$100,538	$103,128	$ 90,166
Patriotic	2,250	2,250	2,175	525	.....
Net profits	$125,195	$ 91,937	$ 98,363	$102,603	$ 90,166
Balance forward.	41,336	36,531	15,702	44,065	76,668
	$166,531	$128,468	$114,065	$146,668	$166,834
Distribution—					
Dividend	$100,000	$ 85,000	$ 70,000	$ 70,000	$ 70,000
Reserves	.....	27,766	.....	.....	.....
Depreciation ..	30,060	.....	.....	.....	.....
Balance	36,531	15,702	44,065	76,668	96,835
	$166,531	$128,468	$114,065	$146,668	$166,835

*Taxes deducted.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,000,000	$206,401	10	20.6	11.6
1913	1,000,000	209,794	10	20.1	10.6
1914	1,000,000	162,075	10	16.2	8.2
1915	1,000,000	154,524	10	15.5	7.8
1916	1,000,000	125,195	10	12.5	6.3
1917	1,000,000	91,937	9	9.1	4.8
1918	1,000,000	98,363	7	9.8	6.7
1919	1,000,000	102,603	7	10.2	6.8
1920	1,000,000	90,166	7	9.0	6.0

VICTORIA LOAN AND SAVINGS CO., LINDSAY.

Distribution of Earnings.

	1916	1917	1918	1919	1920
*Year's earnings	$ 50,234	$ 54,553	$ 58,774	$ 75,346	$ 77,582
Balance forward .	3,837	4,071	5,263	10,109	9,465
Premiums	.....	14,243	15,757	36,410	16,000
Deductions	$ 54,071	$ 72,867	$ 79,794	$121,865	$103,047
Distribution—					
Dividends	$ 30,000	$ 32,604	$ 34,685	$ 42,399	$ 51,806
Reserve	20,000	35,000	35,000	70,000	42,000
Balance	4,701	5,263	10,109	9,466	9,241
Deductions ...	$ 54,071	$ 72,867	$ 79,794	$121,865	$103,047

*After deduction of both special war and ordinary taxes.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 325,473	$ 33,017	7	10.1	8.7
1913	396,953	43,939	7	11.0	10.5
1914	400,000	46,674	7	11.6	8.8
1915	400,000	46,700	7½	11.6	8.5
1916	400,000	50,234	7½	12.5	9.0
1917	447,475	54,553	7½	12.4	9.4
1918	500,000	58,774	7½	11.9	8.8
1919	600,000	75,346	8	14.2	9.9
1920	640,000	77,582	8½	12.5	9.1

THE WATERLOO COUNTY LOAN & SAVINGS COMPANY, WATERLOO, ONT.

Distribution of Earnings

	1916	1917	1918	1919	1920
Earnings	$ 66,376	$ 85,498	$102,846	$144,033	$178,115
Interest—					
On deposits ...	$ 15,077	$ 21,555	$ 24,737	$ 40,122	$ 51,181
On deben.	6,259	12,344	16,708	23,873	28,377
On loans	.....	.....	2,595	3,520	11,158
Com. on loans ...	1,460	1,389	1,463	1,459	1,698
Expenses	11,819	15,355	16,285	23,945	28,706
Written off	.....	500	596	1,465	.....
	$ 34,615	$ 51,143	$ 62,384	$ 94,384	$121 120
Net earnings ...	$ 31,761	$ 34,355	$ 40,462	$ 49,649	$ 56,995
Prem. on stocks .	4,305	646	4,367	8,864	1,753
Balance forward .	2,456	1,878	1,225	1,532	2,256
	$ 38,523	$ 36,879	$ 46,054	$ 60,045	$ 61,004
Dividends	$ 21,645	$ 24,153	$ 26,022	$ 32,988	$ 37,507
Reserve	12,000	10,000	15,000	21,800	15,000
Contingent	3,000	1,500	3,500	3,000	6,000
Balance	1,878	1,226	1,532	2,256	2,496
	$ 38,523	$ 36,879	$ 46,054	$ 60,045	$ 61,004

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1915	$ 332,876	$ 25,323	6	7.8	7.0
1916	383,779	31,762	6	8.8	7.7
1917	415,366	34,355	6	8.5	7.4
1918	481,802	40,462	6	9.3	8.0
1919	604,331	49,649	6	9.2	7.9
1920	638,764	56,995	6	9.1	7.7

WESTERN TRUST COMPANY, WINNIPEG

Distribution of Earnings

	1916	1917	1918	1919	1920
Profits	$ 81,058	$ 82,500	$ 62,391	$ 74,685	$ 90,394
Prov. for Inc. tax	.....	.....	.....	6,500	8,500
Net profits	$ 81,058	$ 82,500	$ 62,391	$ 68,185	$ 81,894
Balance forward .	42,278	49,086	56,336	48,476	66,412
	$124,336	$131,586	$118,737	$116,661	$148,306
Distribution—					
Dividends	$ 50,250	$ 50,000	$ 50,250	$ 50,250	$ 60,300
Reserve	25,000	25,000	20,000	.....	50,000
Balance	49,086	56,336	48,477	66,412	38,006
	$124,336	$131,586	$118,727	$116,662	$148,306

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1915	$1,005,000	$ 84,787	6	8.4	7.0
1916	1,005,000	81,058	5	8.1	6.5
1917	1,005,000	82,500	5	8.2	6.6
1918	1,005,000	62,391	5	6.2	4.9
1919	1,005,000	68,185	5	6.8	5.4
1920	1,005,000	81,894	6	8.1	6.4

WINNIPEG MERCANTILE TRUST CO., WINNIPEG.

Distribution of Earnings

	1916	1917	1918	1919	1920
Earnings	$ 8,002	$ 8,193	$ *2,815	$ *3,360	$ 4,531
Expenses	3,830	4,214	.....	.....	.....
Profits	$ 4,172	$ 3,979	$ 2,815	$ 3,360	$ 4,531
Balance forward.	803	1,111	4,091	6,906	6,315
	$ 4,975	$ 5,090	$ 6,906	$ 10,266	$ 10,846
Distribution—					
Dividends	$ 50,250	$ 50,250	$ 50,250	$ 50,250	$ 4,010
Reserve	3,864	1,000	.....	.....	2,000
Balance	1,111	4,090	6,906	6,315	4,836
	$ 4,975	$ 5,090	$ 6,906	$ 10,266	$ 10,846

*After deducting all expenses.

YORKSHIRE & CANADIAN TRUST, HUDDERSFIELD, ENGLAND.

Distribution of Earnings.

	1916	1917	1918	1919	1920
Earnings	.....	.....	$ 34,220	$ 36,070	$ 59,115
Balance forward.	.....	.....	98,160	100,235	112,605
	.....	.....	$132,380	$136,305	$171,720
Income tax	.....	.....	$ 9,375	$ 7,215	$ 8,595
Debenture Int. ...	.....	.....	19,770	13,485	13,560
Directors' fees ..	.....	.....	3,000	3,000	3,000
Balance	.....	.....	100,235	112,605	146,565
	.....	.....	$132,380	$136,305	$171,720

In the foregoing analysis the company's figures in sterling have been converted on the basis of $5 to the £.

OPPOSE SEED GRAIN LIENS

Protesting that the practice was unjustifiable, the Canada Mortgage Loan Association, at the closing session of its convention at Winnipeg, passed a resolution urging the Dominion Government to stop giving lien priority to seed grain advances.

The Provincial Government was criticized for again enacting legislation in connection with lien priority to seed grain advances, the convention claiming that, in addition to being economically unsound and unjust, the custom was not necessary, as seed grain requirements could be otherwise provided for.

The Canada Permanent Trust Company

HEAD OFFICE:
14-18 Toronto Street, Toronto, Ont.

The Trained Executor

There was a time when the greatest compliment a man could pay his friend was to name him the Executor of his last Will and Testament. Modern opinion has decided that such a course is kind neither to the friend nor to those who inherit the estate. The friend is burdened with work to which he is unaccustomed; the estate is often wasted—not by the fault, but by the ignorance of the executor.

The Canada Permanent Trust Company makes an everyday business of just this kind of work that the amateur executor finds intricate and confusing. It has at its disposal every kind of knowledge and experience that is needed in the business of being an Executor.

Whether your estate is a few thousand of Life Insurance, or a few millions of securities, it will be wisely and economically administered by

The Canada Permanent Trust Company

Paid-Up Capital, $1,000,000.00

DIRECTORS:
W. G. Gooderham — R. S. Hudson
John Massey — J. H. G. Hagarty
John Campbell, S.S.C. — Col. A. E. Gooderham
F. Gordon Osler — William Mulock
George H. Smith — George W. Allan, K.C., M.P. — E. R. C. Clarkson

Manager, Ontario Branch: A. E. Hessin

Depositors and Investors

are invited to avail themselves of "CANADA PERMANENT" service.

3½% per annum, compounded half-yearly, allowed on deposits subject to cheque withdrawal. Every phase of deposit account service is offered, including joint accounts, trust accounts, household accounts, etc. Deposits and withdrawals may be made BY MAIL with perfect convenience.

5% per annum, payable half-yearly, is paid on sums of $100 or more invested with us for one year.

5½% per annum, payable half-yearly, is allowed on 3, 4 or 5 year investments.

5½% Compound Interest — Our Accumulative Debentures yield 5½% per annum, compounded half-yearly. $76.24 invested to-day will amount to $100 at the end of five years.

Our service is designed to meet the needs of both large and small investors and any further information desired will be gladly furnished on request.

Canada Permanent Mortgage Corporation
14-18 Toronto St., Toronto

Capital (paid up) - - - $6,000,000.00
Reserve Fund (earned) - $6,000,000.00

Established 1855

ASSETS OF CANADA'S CHIEF LOAN AND MORTGAGE COMPANIES

COMPANY—	—Mortgages—			—Other Loans—			—Securities—			—Real Estate and Premises—			—Cash—			—Total Assets—		
	1918	1919	1920	1918	1919	1920	1918	1919	1920	1918	1919	1920	1918	1919	1920	1918	1919	1920
British Mort. Loan	$ 1,671,833	$ 1,676,008	$ 1,762,450	$	$	$	$ 890,783	$ 1,212,830	$ 1,452,880	$ 20,000	$ 29,743	$ 25,614	$ 97,475	$ 55,236	$ 116,566	$ 2,680,091	$ 2,973,817	$ 3,357,510
B.C. Perm. Loan	1,866,167	1,537,040	1,447,918	10,242	8,870	810	257,454	354,760	478,282	792,601	822,800	789,948	62,087	128,483	166,471	3,069,205	2,908,445	2,917,422
Brockville Loan	711,512	661,002	617,622	......	......	42,579	......	65,833	62,343	1,000	1,191	6,667	23,369	2,517	24,446	735,881	730,544	753,660
Can. Mort. Invest.	......	......	......	1,565,171	1,413,457	1,421,733	486,252	500,718	485,728	288,726	426,274	408,912	60,263	23,272	57,975	2,406,613	2,386,927	2,382,504
Canada Landed	4,801,620	4,657,839	4,374,089	21,055	7,750	4,300	973,568	1,586,521	1,768,877	35,000	35,000	65,935	519,508	274,151	103,695	6,422,606	6,606,427	6,316,897
Can. Perm. Loan	26,318,587	26,211,306	28,064,269	502,866	404,699	296,623	2,045,344	4,232,768	2,267,344	939,441	960,394	1,183,468	1,655,148	1,245,070	1,253,848	31,461,387	33,054,238	33,065,554
Central Canada	1,348,944	1,196,633	1,318,565	1,625,926	2,296,131	1,150,554	5,523,382	5,308,025	4,378,711	179,432	179,432	250,000	426,344	528,584	446,347	9,104,030	9,508,807	7,544,178
Colonial Invest. & Loan	1,175,511	853,740	676,814	190,550	264,959	140,957	1,491,417	2,895,353	423,837	523,402	487,189	336,761	104,338	269,702	37,081	4,016,405	5,416,569	2,044,167
Crown Savings & Loan	651,294	595,746	622,269	......	......	18,689	......	81,870	74,123	11,500	11,300	18,407	17,351	15,032	13,535	680,145	703,948	747,025
Credit Foncier	37,103,063	35,183,953	42,543,251	839,081	648,358	100,027	7,748,934	7,725,546	4,684,104	1,390,367	1,436,072	1,667,488	3,584,156	6,676,668	3,737,896	55,896,156	57,220,880	53,656,306
Dom. Savings & Invest.	2,327,066	2,134,495	989,306	......	......	361,346	......	......	428,852	......	......	302,337	19,349	64,037	23,159	2,346,415	2,196,533	2,119,607
Eastern Canada Savings	1,637,642	1,942,382	1,995,486	17,048	......	......	......	......	......	60,200	60,500	31,347	8,955	69,524	25,549	2,104,345	2,320,106	2,208,184
E. Lambton Farm. Loan	211,517	228,236	256,228	9,637	8,847	9,818	220,556	239,485	262,647	3,000	3,000	3,000	15,412	207	401	494,123	502,826	532,095
Empire Loan	803,073	847,061	806,885	......	......	......	16,698	16,711	10,045	64,075	32,168	51,908	7,337	11,826	9,381	892,700	908,798	878,740
Frontenac Loan	173,199	172,063	162,371	40,285	39,858	42,025	61,863	73,097	76,343	13,019	18,087	12,638	9,934	1,731	1,211	298,306	299,838	294,791
Great-West Perm. Loan	4,247,882	4,120,206	3,296,579	115,999	130,630	105,792	457,319	966,888	1,121,861	492,112	500,782	1,359,074	147,226	287,108	135,865	5,507,435	7,423,973	6,184,420
Guelph & Ont. Invest.	3,817,811	3,649,567	2,489,900	25,978	62,615	55,420	......	......	1,452,958	76,694	67,451	72,910	224,281	433,855	166,074	4,409,255	4,477,985	4,522,348
Grey & Bruce Loan	595,851	583,900	594,450	......	......	83,845	99,753	139,287	155,998	28,482	33,949	27,265	637	1,227	1,538	785,490	843,406	863,132
Hamilton Prov. & Loan	3,978,849	4,244,509	4,200,925	7,939	5,928	8,372	278,919	249,106	292,999	93,000	93,000	110,470	220,764	171,794	187,337	4,579,472	4,764,339	4,800,104
Home Invest. & Sav.	1,758,869	1,523,788	1,612,338	......	......	......	7,852	189,520	170,211	226,644	137,581	159,175	4,569	34,763	38,034	2,172,434	2,300,714	2,442,286
Huron & Erie Loan	10,409,670	13,339,194	15,073,875	......	24,992	6,369	5,038,496	4,048,142	4,292,043	249,903	572,152	900,000	1,328,820	1,328,820	1,199,168	18,207,750	18,207,750	22,647,815
Invest. Corporation	2,801,125	2,629,475	2,648,560	......	......	......	191,155	216,192	447,885	595,515	667,730	667,615	177,710	150,220	115,190	4,183,860	4,152,505	4,299,985
Industrial Mortgage	......	......	1,980,807	2,344,767	2,548,581	33,142	......	......	644,628	19,193	22,193	21,193	73,137	28,427	88,437	2,441,597	2,599,202	2,768,209
Investors' Mort. Sec.	8,622,960	10,385,495	10,616,000	......	......	......	1,458,480	......	......	......	......	......	157,360	179,220	179,625	10,571,655	10,893,040	11,123,985
Lambton Loan & Invest.	2,962,806	3,243,492	3,473,283	......	......	......	......	......	......	15,000	16,500	20,500	124,053	91,632	93,905	3,101,859	3,351,625	3,587,689
Landed Bank & Loan	2,909,424	2,811,518	2,967,025	49,326	103,896	139,677	391,876	459,523	477,780	65,000	65,000	65,000	112,146	210,725	85,151	3,527,773	3,650,662	3,734,635
London Loan & Savings	2,476,715	2,066,936	1,936,245	......	......	......	186,596	649,084	736,142	63,000	63,000	63,000	205,153	273,890	195,476	2,932,698	3,052,929	2,930,936
London & Can. Loan	4,272,143	4,381,380	4,393,967	8,795	5,293	5,138	443,119	461,332	361,921	......	......	18,180	131,902	237,866	288,046	4,855,958	5,085,872	5,067,253
Midland Loan & Sav.	935,222	900,272	931,877	20,932	13,819	7,346	423,391	578,142	578,375	5,000	5,000	5,000	152,292	84,781	154,002	1,536,909	1,582,088	1,676,687
Montreal Loan & Mort.	1,508,147	1,612,120	1,616,808	107,101	57,163	79,334	79,419	104,648	50,458	3,200	......	8,129	18,557	955	20,168	1,716,424	1,774,888	1,774,899
Mort. Corp. of N.S.	873,317	956,391	952,869	......	......	......	21,142	7,224	......	7,71	7,177	6,021	18,954	1,185	3,387	1,280,754	1,330,385	1,319,535
Northern Mort. Co.	2,819,034	2,994,989	3,171,869	......	......	......	......	......	......	174,544	151,747	143,152	41,226	64,893	11,616	3,086,176	3,213,467	3,328,239
N.S. Savings & Bldg.	......	......	......	1,682,511	1,884,430	1,882,895	......	......	15,037	8,000	8,700	8,000	45,469	22,057	4,001	1,736,255	1,915,595	1,910,211
Northern Can. Mort.	......	......	......	506,351	518,082	545,473	12,351	9,596	28,311	207,516	203,248	163,560	12,660	5,036	6,475	739,380	735,963	744,531
Ontario Loan & Deben.	5,207,977	4,759,917	4,619,201	106,871	49,629	57,126	1,423,794	2,319,634	2,664,999	163,721	149,227	111,342	231,427	300,388	185,828	7,132,790	7,578,797	7,717,498
Okanagan Loan	12,850	12,850	......	500,426	517,184	384,702	10,000	16,793	81,743	32,196	35,369	37,850	12,799	15,851	6,527	588,944	613,905	640,675
Owen Sound Loan	154,077	152,171	168,493	......	......	10,163	17,105	44,375	40,831	20,234	21,450	17,299	719	1,183	1,226	217,728	237,672	239,352
People's Loan & Sav.	696,661	800,171	799,662	......	......	10,944	64,858	65,650	99,219	70,813	38,700	62,385	35,946	64,190	62,254	924,519	1,038,165	1,094,702
Real Estate Loan	1,132,566	1,095,594	1,131,102	2,621	6,996	3,511	108,848	150,816	193,116	123,788	105,213	44,678	33,570	60,801	29,263	1,401,392	1,419,423	1,401,673
Royal Loan & Savings	1,585,025	1,631,297	1,638,236	35,548	45,387	87,998	716,176	776,937	714,462	50,000	50,000	53,207	109,366	64,932	123,571	2,496,115	2,568,555	2,617,476
Southern Loan & Sav.	2,122,476	2,351,949	2,231,493	4,370	6,921	11,181	164,199	214,843	261,869	20,000	20,000	20,000	60,040	4,846	47,807	2,371,086	2,598,560	2,561,169
Security Loan	......	......	1,006,221	944,494	995,493	9,810	106,691	155,461	154,806	21,056	21,056	21,100	31,692	23,944	42,469	1,103,934	1,195,955	1,234,734
Second Investor's Mort.	......	1,972,830	2,102,320	......	......	......	504,095	......	......	......	......	......	8,560	84,110	61,515	1,892,145	2,105,110	2,209,900
Sask. Loan & Invest.	335,501	353,145	372,011	......	......	......	10,000	10,100	10,100	22,298	25,845	7,835	......	......	......	363,047	400,609	401,814
Toronto Mortgage	2,041,945	1,974,270	1,777,241	136,492	171,456	144,608	831,122	965,835	1,083,939	45,000	45,000	45,000	117,152	92,592	117,712	3,171,712	3,249,154	3,168,502
Toronto Sav. & Loan	*3,995,879	*4,039,672	266,964	......	......	42,044	......	......	2,501,886	......	......	1,177,056	75,331	130,814	157,726	4,074,188	4,171,720	4,165,116
Trust & Loan	13,264,165	13,376,389	13,693,825	......	......	......	1,495,065	1,498,780	1,501,920	754,896	676,294	529,991	664,645	1,175,450	373,205	19,880,850	19,514,200	20,814,050
Victoria Loan & Sav.	2,298,231	2,920,489	2,061,003	......	......	47,042	18,874	46,761	1,007,337	6,300	6,300	46,669	185,220	131,567	130,795	2,508,626	3,105,119	3,292,848
Waterloo County Loan	589,994	735,172	1,040,532	19,855	26,126	58,059	1,015,489	1,403,586	1,453,454	50,972	111,767	113,483	169,728	196,534	142,387	1,846,040	2,473,187	2,789,917
Total	$169,228,198	$173,506,651	$178,522,397	$11,443,137	$12,267,647	$ 7,409,452	$34,292,435	$40,041,672	$39,432,405	$ 8,033,552	$ 8,419,581	$11,260,569	$11,544,137	$15,320,696	$10,472,341	$249,904,658	$261,365,222	$258,894,960
Canadian Finance	......	......	......	......	......	......	......	......	......	28,392	......	13,259	160	......	174	52,049	......	52,468
First Nat. Mortgage	42,190	41,042	......	31,807	34,284	......	......	......	......	24,870	100,886	......	1,241	2,825	......	100,575	104,094	......
International Loan	264,710	376,487	......	......	......	......	......	......	......	......	......	......	2,800	1,136	......	288,079	403,402	......
Pt. Art. & Ft. Wm. Mtg.	722,551	698,151	......	......	3,045	......	14,750	41,218	......	16,946	13,490	......	3,648	2,190	......	762,047	801,416	......
Standard Reliance Mort.	7,028,708	......	......	44,423	......	......	716,039	......	......	541,068	......	......	159,064	......	......	8,523,984	......	......

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*Net value of investments.

LIABILITIES OF LOAN COMPANIES

	TO THE PUBLIC									TO SHAREHOLDERS.								
COMPANY—	—Savings Deposits—			Debentures—			—Total—			—Capital			—Reserve—			—Other—		
	1918	1919	1920	1918	1919	1920	1918	1919	1920	1918	1919	1920	1918	1919	1920	1918	1919	1920
Brit. Mort. Loan	$ 760,633	$ 839,372	$ 1,057,193	$ 977,169	$ 1,164,194	$ 1,297,516	$ 1,737,793	$ 2,003,566	$ 2,354,709	$ 500,000	$ 500,000	$ 500,000	$ 410,000	$ 430,000	$ 460,000	$ 32,298	$ 40,251	$ 42,801
Brockville Loan	304,984	283,408	289,395	......	......	......	304,984	288,023	297,639	302,510	303,043	305,443	115,000	125,000	130,000	13,388	14,477	20,578
B.C. Perm. Loan	......	36,732	129,816	1,121,348	1,106,532	976,644	1,332,300	1,149,672	1,119,214	923,290	923,290	926,721	600,000	600,000	725,000	213,614	235,482	146,486
Can. Mort. Invest.	......	......	......	606,966	560,674	521,414	615,147	582,931	551,741	1,231,631	1,235,954	1,239,586	450,000	450,000	500,000	109,834	118,041	91,176
Canada Landed	......	......	......	3,816,095	3,931,755	3,578,895	3,850,548	3,990,569	3,623,620	1,205,000	1,205,000	1,205,000	1,205,000	1,355,000	1,355,000	161,959	55,857	133,277
Canada Permanent	5,461,936	6,206,962	6,129,483	14,164,351	14,794,552	14,623,835	19,638,877	21,003,744	20,760,783	6,000,000	6,000,000	6,000,000	5,500,000	5,750,000	6,000,000	322,510	300,493	304,770
Central Canada	1,351,693	1,824,318	2,194,835	3,616,514	3,316,535	1,452,122	5,468,206	5,840,854	3,896,958	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	135,824	167,952	147,220
Col. Invest & Loan	......	......	......	544,888	423,352	......	1,052,744	2,461,347	23,854	2,456,402	2,458,421	1,250,926	400,000	400,000	400,000	107,258	96,799	369,386
Crown Sav. & Loan	112,184	133,336	169,161	226,269	222,836	224,531	338,454	356,173	393,692	241,050	241,050	241,050	86,000	92,000	97,500	14,641	14,725	14,782
Credit Foncier	......	......	......	37,978,145	37,886,877	37,788,269	37,978,145	37,886,877	37,788,269	9,647,667	9,647,667	9,647,667	4,198,177	4,342,601	2,200,883	4,072,168	5,343,734	3,019,485
Dom. Savings & Invest.	758,413	665,751	567,197	334,240	292,727	302,583	1,116,624	858,479	888,172	934,300	934,300	934,000	270,000	275,000	275,000	25,490	28,753	22,134
Eastern Canada Savings	186,851	392,158	241,987	943,480	930,336	913,933	1,130,331	1,322,494	1,155,870	750,000	750,000	750,000	220,500	243,000	292,000	3,514	4,612	10,313
Empire Loan	......	......	......	155,064	129,152	91,737	183,109	194,495	144,559	604,755	607,226	620,761	70,000	80,000	90,000	34,834	27,076	23,409
E. Lambton Farm Loan	112,922	108,404	132,121	93,020	87,379	97,168	205,942	208,278	230,812	220,200	221,650	225,000	61,365	66,236	69,536	6,616	6,661	6,746
Frontenac Loan	47,169	47,600	42,536	......	......	......	47,169	47,600	42,536	200,000	200,000	200,000	30,000	30,000	30,000	21,136	22,248	22,254
Great-West Perm. Loan	691,574	933,617	979,624	1,425,301	1,560,733	1,538,185	3,701,366	3,873,916	2,604,767	2,412,578	2,413,018	2,414,663	664,459	750,000	800,000	308,289	323,911	364,989
Guelph & Ont. Invest.	569,252	597,476	725,548	1,981,417	1,980,092	1,874,096	2,698,254	2,634,417	2,613,654	847,848	923,233	964,840	789,435	839,435	869,435	73,718	80,899	74,418
Grey & Bruce Loan	129,608	131,624	153,899	128,313	120,928	113,648	260,960	313,242	329,102	444,175	444,350	444,380	7,000	72,000	74,000	13,355	13,814	15,651
Ham. Prov. & Loan	850,113	852,635	944,665	1,241,209	1,327,179	1,258,312	2,102,632	2,229,768	2,230,517	1,200,000	1,200,000	1,200,000	1,200,000	1,250,000	1,300,000	76,840	84,570	69,587
Home Invest. & Sav.	318,539	470,322	532,273	217,840	175,343	150,661	545,680	663,522	789,832	991,928	992,352	992,482	500,000	500,000	500,000	134,826	144,839	159,970
Huron & Erie Loan	3,104,973	4,054,841	5,543,487	9,074,857	10,147,649	10,684,286	12,299,412	14,344,146	16,387,998	2,500,000	5,000,000	5,000,000	3,300,000	1,000,000	1,500,000	108,337	91,374	109,817
Investors' Mort. Sec.	......	......	......	3,530,765	3,781,235	3,900,365	3,763,630	4,014,240	4,078,520	5,000,000	5,000,000	5,000,000	1,600,000	1,675,000	1,825,000	208,025	203,805	220,460
Indus. Mortgage	743,422	841,142	901,979	663,461	697,854	779,392	1,406,883	1,538,997	1,681,371	633,750	634,100	635,000	375,000	400,000	420,000	25,864	26,104	31,837
Invest. Corporation	......	......	......	......	......	......	......	......	......	3,899,175	3,899,175	3,899,175	150,000	150,000	175,000	134,680	103,330	222,810
Lambton Loan & Inv.	1,007,964	1,170,423	1,237,729	485,989	537,535	681,199	1,493,953	1,707,958	1,918,928	789,750	789,750	789,750	760,000	800,000	825,000	58,156	53,917	54,010
Landed Bank & Loan	875,885	949,882	1,015,277	715,085	712,425	693,875	1,601,040	1,683,333	1,728,031	1,000,000	1,000,000	1,000,000	880,000	925,000	965,000	46,732	42,330	41,603
London Loan & Savings	671,825	806,260	948,762	980,677	963,458	678,611	1,664,350	1,781,269	1,637,374	887,849	888,321	891,383	360,000	380,000	400,000	20,492	3,338	2,177
London & Can. Loan	......	......	......	2,600,263	2,759,601	2,774,372	2,655,978	2,822,753	2,778,087	1,250,000	1,250,000	1,250,000	900,000	950,000	1,000,000	49,981	62,119	39,165
Mortgage Corp. of N.S.	35,423	38,086	34,678	262,295	270,048	250,071	301,218	311,714	288,316	499,145	507,654	513,541	110,000	125,000	134,000	11,236	27,770	26,418
Midland Loan & Savings	303,162	319,856	359,805	560,543	574,160	611,293	863,705	894,017	971,099	360,000	360,000	360,000	275,000	285,000	300,000	38,204	43,071	45,588
Montreal Loan & Mort.	146,312	159,191	141,557	171,496	149,418	149,418	330,929	317,464	300,325	600,000	600,000	600,000	700,000	800,000	800,000	85,494	57,424	74,573
Northern Mort. Co.	......	......	......	912,936	1,000,000	1,000,000	912,936	1,000,000	1,000,000	1,881,675	1,914,692	1,925,599	......	......	......	64,832	98,319	402,639
N.S. Savings & Bldg.	131,909	136,928	117,425	479,172	584,937	565,211	611,101	721,865	682,636	935,585	986,456	1,007,410	174,285	184,058	194,058	15,283	23,215	26,105
Northern Can. Mortgage	......	......	......	......	......	......	......	......	......	535,578	545,476	552,284	50,000	50,000	50,000	153,802	140,486	142,246
Owen Sound Loan	54,835	54,292	62,738	22,609	27,337	26,185	77,964	82,207	97,475	123,377	128,502	128,684	......	......	......	7,903	17,011	13,192
Okanagan Loan	13,286	10,253	17,776	35,331	34,537	18,835	107,805	125,309	138,819	390,560	390,580	390,580	82,000	86,000	95,000	8,559	12,016	16,276
Ont. Loan & Deben.	825,414	900,872	1,037,785	2,424,060	2,705,925	2,604,309	3,249,473	3,606,798	3,642,094	1,750,000	1,750,000	1,750,000	2,050,000	2,150,000	2,500,000	83,317	71,998	75,403
People's Loan & Sav.	233,893	333,457	414,356	118,477	125,124	110,888	367,370	473,576	526,730	500,000	500,000	489,388	55,000	60,000	65,000	2,146	4,589	13,584
Real Estate Loan	......	......	......	614,944	637,479	609,106	617,180	640,032	618,516	500,000	500,000	500,000	260,000	260,000	260,000	24,213	19,390	23,156
Royal Loan & Savings	469,366	578,556	745,047	973,027	910,836	772,029	1,442,393	1,489,392	1,525,753	600,000	600,000	600,000	425,000	450,000	470,000	28,722	29,163	21,723
Southern Loan & Sav.	444,806	572,955	539,985	729,554	798,186	782,935	1,174,364	1,377,778	1,325,625	900,000	900,000	900,000	250,000	270,000	285,000	46,726	50,781	50,543
Security Loan	310,849	345,714	421,236	103,084	101,264	84,465	413,932	481,978	505,701	524,200	532,300	532,300	145,000	160,000	175,000	20,801	21,677	21,733
Second Investors' Mort.	......	......	......	......	......	......	26,525	23,145	17,630	1,686,925	1,901,280	2,000,000	125,000	125,000	125,000	53,695	55,690	67,265
Sask. Loan & Invest.	......	......	......	......	......	......	5,944	22,075	15,707	314,243	333,210	339,189	35,000	40,000	40,000	7,859	5,323	6,917
Trust & Loan	......	......	......	12,932,765	12,767,565	13,923,880	12,932,765	12,767,565	13,923,880	3,000,000	3,000,000	3,015,640	3,000,000	3,001,570	3,000,000	948,080	745,010	874,525
Toronto Mortgage	116,953	100,168	92,284	1,656,231	1,687,805	1,571,598	1,773,183	1,793,416	1,690,023	724,550	724,550	724,550	620,000	670,000	700,000	53,978	61,187	53,928
Toronto Sav. & Loan	1,087,435	1,089,865	641,992	825,238	871,533	1,308,621	1,914,584	1,963,726	1,956,298	1,000,000	1,000,000	1,000,000	1,100,000	1,100,000	1,100,000	59,604	107,993	108,818
Victoria Loan & Sav.	1,666,959	961,569	1,094,734	......	1,159,476	1,169,000	1,737,759	2,164,239	2,266,116	500,000	600,000	640,000	250,000	320,000	362,000	20,867	20,879	24,731
Waterloo County Loan	854,034	1,188,821	1,127,700	402,301	545,389	643,225	1,256,335	1,734,210	2,000,121	481,802	604,331	638,764	85,000	105,000	120,000	22,902	29,645	31,030
Total	$ 24,754,576	$ 28,136,846	$ 30,786,015	$110,846,780	$114,561,952	$118,196,718	$139,311,976	$147,793,169	$145,043,473	$ 66,631,498	$ 69,790,931	$ 68,886,056	$ 36,643,221	$ 35,921,892	$ 36,503,412	$ 8,292,692	$ 9,354,148	$ 8,920,704
Canadian Finance	......	......	......	......	......	......	1,078	......	117	39,304	......	39,240	9,000	......	9,000	2,666	......	3,910
First Nat. Mortgage	......	......	......	......	......	......	......	......	......	97,763	97,763	......	......	......	......	2,811	6,331	......
International Loan	......	......	......	......	......	......	7,281	44,444	......	255,267	333,168	......	......	......	......	25,531	25,790	......
Pt. Art. & Ft. Wm. Mtg.	......	......	......	69,593	69,593	......	97,736	79,228	......	587,804	635,800	......	25,000	54,777	......	51,506	31,610	......
Standard Reliance Mort.	1,092,031	......	......	3,972,483	......	......	5,190,059	......	......	2,610,934	......	......	650,000	......	......	72,990	......	......

INVESTMENTS OF THE TRUST COMPANIES

	—Capital Account—			—Guaranteed Accounts—			—Estates Trusts—			—Total—		
	1918.	1919	1920	1918	1919.	1920	1918	1919	1920	1918	1919	1920
Brantford Trust	$ 329,665	$ 330,202	$ 331,436	$	$	$	$ 645,994	$ 637,655	$ 927,739	$ 975,609	$ 967,858	$ 1,259,174
British Empire Trust	4,694,870	4,590,035	5,147,720	......	......	......	1,163,710	2,515,925	1,232,860	5,858,580	7,105,960	6,380,580
British Canadian Trust	46,274	52,092	53,958	11,690	4,040	1,900	617,995	566,000	482,040	675,959	622,132	537,899
Can. Guaranty Trust	244,256	439,517	440,906	263,498	285,988	340,159	1,413,852	1,912,806	2,115,889	1,921,606	2,638,312	2,896,955
Canada Trust	1,645,597	1,685,752	1,750,633	4,719,763	4,860,636	4,223,152	3,544,907	4,234,387	5,064,237	9,910,267	10,780,775	11,038,023
Capital Trust	450,777	545,073	610,879	448,335	605,302	779,351	1,060,680	1,135,746	2,719,350	1,959,792	2,286,122	4,109,581
Crown Trust	692,143	777,525	943,560	......	......	......	2,362,424	3,878,200	4,535,191	3,054,567	4,655,725	5,478,751
Can. Permanent Trust	330,682	1,135,497	1,175,953	42,012	42,012	57,208	772,851	2,191,522	1,914,690	1,145,544	3,369,033	3,147,852
Chartered Trust	327,759	542,990	578,728	......	15,204	42,330	......	4,365,904	4,611,354	327,759	4,924,099	5,232,412
Eastern Trust	1,550,154	1,455,672	1,543,019	121,000	161,582	475,269	20,670,982	21,653,965	24,298,424	22,342,136	23,271,221	26,316,713
Guelph Trust	310,551	316,899	328,294	......	......	75,954	......	......	109,712	310,551	316,899	513,961
Imperial Trusts	263,232	273,174	299,735	1,172,685	1,364,728	975,716	3,365,147	3,080,820	3,963,551	4,801,064	4,718,724	5,239,003
Imperial Canadian Trust	1,461,919	1,536,291	1,601,417	......	......	......	5,475,454	5,730,505	6,626,146	6,937,373	7,266,797	8,227,563
London & Western	699,051	724,666	742,005	......	......	42,545	7,946,897	10,387,847	11,064,473	8,645,948	11,112,533	11,849,024
Mercantile Trust	677,009	829,361	801,179	432,594	451,167	413,272	4,516,119	5,634,577	4,704,887	5,625,722	6,915,107	5,919,339
National Trust	3,238,221	3,300,670	4,277,214	6,897,900	5,975,171	5,387,200	69,955,549	79,665,410	84,726,290	80,091,670	88,941,252	94,390,705
Northern Trusts	2,143,867	2,161,203	2,202,785	1,295,801	1,370,134	1,327,755	9,525,521	11,072,121	15,979,708	12,965,189	14,603,458	19,510,250
Nova Scotia Trust	246,244	282,587	293,559	......	......	......	......	1,010,708	3,198,125	246,244	1,293,295	3,491,684
Prudential Trust	951,924	993,853	869,091	1,502,846	1,574,675	1,044,050	2,073,308	2,277,463	3,597,021	4,528,078	4,845,992	5,510,163
Premier Trust	137,941	139,536	141,362	21,776	33,026	42,540	307,486	344,604	486,107	467,203	517,167	627,469
Royal Trust	5,016,032	5,738,884	*6,199,333	2,705,047	2,467,438	*1,873,268	207,259,331	226,032,801	*255,964,064	214,980,410	234,239,009	*264,036,667
Standard Trusts	1,605,641	1,626,645	1,638,468	2,795,029	2,524,471	2,555,197	9,059,499	12,045,214	12,244,615	13,460,169	16,196,331	16,438,283
Sterling Trusts	598,109	514,859	530,881	563,641	587,307	588,653	10,896,204	7,070,068	3,066,290	12,057,954	8,172,234	4,185,824
Saskatchewan General Trusts	141,050	155,054	214,224	......	......	......	811,861	1,118,639	1,502,575	952,912	1,273,694	1,716,799
Saskatchewan Mortgage & Trusts	968,264	957,778	1,024,751	16,137	67,146	59,927	371,161	584,935	639,503	1,355,563	1,609,861	1,724,182
Toronto General Trusts	3,759,444	3,882,637	4,389,768	8,185,884	9,476,559	9,124,317	78,887,301	87,763,834	100,248,237	90,832,629	101,123,031	113,762,324
Trusts & Guarantee	2,507,584	2,722,047	1,735,805	5,182,061	5,363,413	5,422,655	12,783,554	14,046,958	16,383,751	20,473,199	22,132,419	23,542,212
Trustee Company of Winnipeg	324,619	542,338	381,660	534,163	566,768	570,910	1,905,880	1,962,674	1,895,263	2,764,663	2,872,943	2,847,734
Union Trust	1,542,031	1,569,162	1,644,864	5,218,020	5,278,876	5,348,253	6,103,487	6,718,996	6,432,505	12,863,538	13,594,035	13,425,623
Western Trust	1,287,767	1,317,296	1,426,963	1,011,434	993,527	992,974	69,137	203,610	220,160	2,368,338	13,514,435	2,640,098
Winnipeg Mercantile Trust	81,001	80,790	86,120	6,729	4,441	631	149,557	154,463	145,138	237,287	239,695	231,889
Yorkshire & Can. Trust	1,641,375	1,673,920	1,686,575	......	......	......	......	......	......	1,641,375	1,673,920	1,686,575
Total	$ 39,915,003	$ 42,921,025	$ 46,092,845	$ 43,148,045	$ 44,073,611	$ 41,765,186	$463,715,848	$519,998,357	$571,099,895	$546,778,898	$617,794,068	$667,915,411
Fidelity Trust	......	141,802	......	......	212,708	......	......	1,532,776	......	......	1,887,288	......

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*Figures as of March 31, 1921.

TRUST COMPANIES PERFORM VALUABLE SERVICES FOR THE LIVING AS WELL AS THE DEAD

Living Trusts Are Created When a Person Hands Over Property to Control of Trustee

BROAD FIELD OF SERVICE

Many Advantages of This Form of Trust—Making of a Will Can be Greatly Simplified—Capable Management of Affairs Assured

By R. G. BEATTIE,
National Trust Company.

Of past years trust companies in Canada have been advertising chiefly the services they render in dealing with property after the death of its owner. As a result the public generally is coming to realize the service which the companies render as executors and administrators. With this realization, however, there is an impression that a trust company serves its clients only after death. Important as are the trusts which the company discharges for the heirs and beneficiaries of a client, there is a class of service scarcely less important which it is in a position to perform during its clients' lifetime. The aim of this article is to describe briefly this style of trust company work, which has not yet been emphasized perhaps as it might be. The duties a trust company as trustee performs for the living may be included under the general heading of "Living Trusts."

A living trust, as the name indicates, is created when a person hands over to the control of a trustee any property to be held in trust for the use either of the creator of the trust (trustor) or another. Property of any nature whatever, can be transferred to trustees in this way, to be managed by them either in their discretion or with the guidance and advice of the person creating the trust or of any particular beneficiary whom he wishes to be consulted.

The Field Is Broad

Some living trusts are irrevocable—that is, they are so created that it becomes impossible for the person creating the trust to withdraw from the trustees the property included in it. In such a case the trustee receives his instructions once and for all and deals with the property in rigid accord with their terms as expressed in an agreement between the trustor and the trustee. Other people, while wishing to put property in trust, wish also to retain for themselves or others some control in its administration. Under these circumstances they may insert in the trust agreement provisions in which they reserve the right to alter the terms and conditions under which their wishes are worked out. A third class of trusts is revocable, that is, a clause may be inserted in the trust agreement that it may be at any time terminated and the property in trust restored to the person by whom the trust was made. The second class of living trust is probably the most usual.

People who make living trusts get certain decided advantages. By this means, they may secure the future welfare of those for whom they naturally wish to provide, not always an easy matter to do otherwise, especially if beneficiaries are unwilling or unable to manage property for themselves. Sometimes living trusts are made because of a man's illness or of his wish to be free from responsibilities or to remove a part of his property from the hazards of ordinary business. The creator of a trust, whatever may be his reason for creating it, escapes having to give his attention to the tedious details connected with the care of the property involved.

Trusts and Wills

The connection between the creation of a trust and the making of a will is important and worth special attention. It is now a commonplace that a great number of men die without leaving wills or leaving wills hastily drawn without proper consideration of the ends they wish to attain and of the means to attain them. This misfortune seldom happens to those who create living trusts, because as a rule a trust is made as the means of securing well-defined ends and after consideration of the best methods for doing so. Again, people who create living trusts can see how the provisions of the trust agreement work out and if they have reserved the necessary power they can alter the provisions according to changing requirements. Properly worked out, such a trust agreement simplifies very much the making of a will, since, after providing for any specific legacies or other benefits the will-maker merely directs that the balance of his property be transferred to the trustees of the living trust to be held and administered by them in the same way as the assets already under the trust agreement.

What does a man do if he wants to create a trust for the benefit of himself or another? Since the introduction and development of trust company service the usual procedure is for him to consult jointly with a trust company officer and his lawyer, securing advice about the best means of carrying out his wishes and their expressions in proper legal form. A draft of the trust deed is then submittted to him and to the estates officers of the trust company and any changes made which later consideration shows to be necessary. Finally the deed is executed by the creator of the trust and by the trustee and the assets indicated by the deed transferred to the latter.

Services Rendered

The foregoing brief sketch will indicate that a great amount of useful service can be performed under variour kinds of living trust agreements. The development of this kind of work depends, however, on the availability of a properly qualified trustee. Formerly the creation of living trusts was a matter only of necessity. People did not easily bring themselves to subject their property to the uncertainties of a personal trusteeship unless circumstances urgently required it. The increase in the frequency with which trusts are now made is, in fact, almost conditional upon the availability of something like a trust company organization and upon increasing public familiarity with it. Readers of THE FINANCIAL POST will not need to be reminded of the facilities which a trust company has to offer in the management of property. Its organization includes departments in charge of experienced officers and no matter what the property is or where it may be the company is in a position to deal with it. For the investment of funds, too, the company offers its knowledge of property and security values; and the experience of its directors and staff, its financial responsibility and its assured existence are all necessary qualifications for trustee not found without exception in many individuals.

With the growth of wealth in Canada during recent years and the multiplication of claims upon the time and attention of large numbers of business people, trust service to the living through living trusts offers opportunities which our readers may profitably consider. By general consent the time is past when a man, even one only moderately successful, can use much of his time profitably by giving it up to the supervision of his affairs outside his business. Many men, we are convinced, would willingly pass on to others a great deal of their more burdensome responsibilities if a suitable agent fitted to assume charge came to their notice. Trust companies are laying more public emphasis on this class of work, which they are equipped, staffed and responsible to perform, and an early likely result seems to us to be a large increase of their personal trust business and, within this field, of the administration of living trusts.

PROVINCIAL LEGISLATION IS IMPEDING THE MOVEMENT OF CAPITAL TO CANADIAN WEST

Continued from page 17.

of their security. One can imagine the consternation of the executive officers of the company should these clear charge certificates from now on have stamped across their face, say, in red ink, some such clause as this:

> "This certificate only establishes the priority of the charge created by this mortgage at the moment of registration and this charge may be subordinated to liens created subsequent to this date of registration for any or all of the purposes and under the statutes following"—

Not only is finality of registration destroyed, but also the simplicity, which is one of the most attractive features of our system. It is already apparent to those dealing in lands that have come under the effect of this legislation that the difficulty of establishing just what claims a parcel of land is subject to, is having its effect on buyers, and this, of course, means depreciation of the security. This difficulty is very great where, under the 1915 liens, more than a single quarter section is involved in one advance, as those of you know who have experience of arranging apportionment of liens with the Department of the Interior. A mortgage sale advertisement at the present time has got to read about as follows:

> "In addition to all arrears of taxes the property is offered subject to all Crown, Dominion, Provincial and Municipal liens created subsequent to the mortgage, but having by statute priority thereto."

which certainly is no encouragement to a prospective bidder.

As illustrating the complications likely to arise from departure from the normal rules of priority we have the 19th amendment to the Saskatchewan Land Titles Act that provides that when a loan is to pay out the Dominion Government and there is insufficient to pay prior executions in full, nevertheless the mortgage shall have priority over the executions.

Comparisons Between the Provinces

Reference to the following synopsis will show that while there is a general similarity between the three provinces in respect of this class of legislation, there are also marked differences, as will be seen from the following:

Manitoba gives tax rank to seed grain, weed destruction, hail insurance and telephone dues, but not to hospital aid or fodder.

Saskatchewan gives tax rank to weed destruction and telephone dues, but as to Provincial or municipal seed, fodder, hospital aid, ranks them next after first mortgages.

Alberta gives tax rank to weed destruction, hospital aid and telephones, but to Provincial and municipal seed and relief ranks them next after first mortgages.

Manitoba makes no distinction between first and subsequent mortgages

Seed—Manitoba accords seed advances priority, while Saskatchewan and Alberta (except the Dominion advances of 1915) rank it after first mortgages.

Fodder.—Manitoba accords it no special priority, while Saskatchewan and Alberta rank it ahead of all but first mortgages.

Hospital Aid.—Manitoba gives no special priority. Saskatchewan puts it ahead of all but first mortgages and Alberta ranks it as taxes.

Weeds.—In Manitoba the ordinary limit is $150.00 per quarter section. In Saskatchewan the limit is $200.00 per quarter. Alberta is without limit.

Telephone Dues.—In all three provinces telephone dues rank as taxes.

Electric Light and Gas.—Manitoba only has legislation ranking these dues as taxes.

ASSETS AND LIABILITIES OF ONTARIO COMPANIES

Assets

Summary of Assets and Liabilities as at 31st December, 1920, of Forty-two Loan Companies Registered in the Province of Ontario.

Office Premises		$ 2,995,464.28
Real Estate held for sale		6,598,563.41
Mortgages on Real Estate		137,387,676.35
Loans on Stocks and Bonds		5,086,361.95
United Kingdom, Dominion of Canada and Provinces of Canada Securities		13,526,778.22
Canadian Municipals, School Districts and Rural Telephone Debentures		12,399,331.81
Other Bonds, Debentures and Debenture Stocks		6,310,972.45
Stocks		12,149,604.09
Cash in Banks and other Institutions		12,517,523.29
Other Assets		1,250,834.70
		$211,223,110.64
Liabilities		
To the Public—		
Debentures and Debenture Stock	$94,363,875.57	
Deposits	29,514,893.97	
Money borrowed	1,471,498.05	
Other liabilities	2,858,094.31	
		$128,208,361.90
To Shareholders—		
Capital Stock	$46,517,600.41	
Reserve Funds	32,527,876.05	
Dividends unpaid	1,182,413.54	
Profit and Loss	2,786,858.74	
		83,014,748.74
		$211,223,110.64

FEAR SENTIMENTAL EFFECT UPON THE BRITISH INVESTOR

Some Opposition to Extension of Deposit Limits of Loan Companies

ONTARIO MEASURE

With Depositors the Preferred Creditors British Lender Would Feel Position Less Secure

An important amendment to the Ontario Trust and Loan Corporations Act put through during the last session of the Ontario Legislature extended the powers of loan companies in taking deposits to twice the amount of paid-up capital and reserves. This legislation followed prolonged discussion and argument, not only in the house but among the representatives of the loan companies as well, as there was a difference of opinion as to the advisability and necessity of such action.

Those who were opposed to the proposed measure offered objection chiefly on the ground of the adverse effect it would have upon the British lender. They contended further that there was no need for an extension of the powers of taking deposits, as with the exception of three or four companies the balance would not be affected. Under the conditions formerly existing the great majority of loan companies were well under the limits imposed by the act. The amendment, it was pointed out, would have very little if any effect upon the deposits of these companies, as there was little new money coming in, and an extended increase of deposits was hardly possible until general financial and business conditions were righted.

British Connections

The majority of companies which opposed the measure have established British connections. They depend largely upon the revenue obtained from this field for the conduct of their business rather than through money deposited with them locally. Their opposition was based too on the ground that such legislation would adversely affect the sentimental regard of the British investor for Canadian debentures. The British institutional lender looked upon the Canadian depositor as a preferred creditor. The depositor is empowered to withdraw his deposits on demand. Through his closer proximity with the loan company he would be in a position in the event of unfavorable developments to act without loss of time. News will reach him more quickly than the British lender, and he is therefore placed in a position of advantage. With the limits of deposits raised there will be greater demand upon the resources of the company in the case of emergency, and the protection afforded the investor reduced in a corresponding degree.

With the average British lender who does business with Canadian loan companies a contract is a sacred and inviolable trust. He loans under certain specific terms laid down in the act. He now sees the government altering the act at will, and in his opinion rendering his position less secure, and he will therefore in future scrutinize these debentures offered with more care, and be more conservative in his loans.

Little if any tangible development can be traced, however, to the altered act. Now that time has been permitted for more careful reflection it is generally conceded that the act will have little if any adverse influence upon the money supply from Britain.

A SQUARE DEAL FOR THE SETTLER

Continued from page 29.

that when he arrives he will be able to get the land he requires without delay and without uncertainty. The road will be straight before him and the goal will be in sight.

The beneficial effect upon immigration of an arrangement like this, which will offer the incoming settler the assurance of considerate treatment and a square deal, will be beyond calculation. It will remove, too, from the whole movement the incubus of the suspicion that it is a device for selling land for speculators and put it in its proper light as a great co-operative, disinterested attempt to do a real public service—that of settling the empty spaces of the West with all the incalculable benefits that will follow, in which every interest and every industry will share: the local municipality and school district, the local merchant and railways, the provinces, the cities, and, in fact, the whole Dominion.

BANK OF MONTREAL

Statement of the Result of the Business of the Bank for the Half-Year Ended 30th April, 1921.

Balance of Profit and Loss Account, 30th October, 1920			$1,251,850
Profits for the half-year ended 30th April, 1921, after deducting charges of management, and making full provision for all bad and doubtful debts			1,910,077.3
			$3,161,927.3
Quarterly Dividend 3 per cent. paid 1st March, 1921		$660,000.00	
Quarterly Dividend 3 per cent. payable 1st June, 1921		660,000.00	
		$1,320,000.00	
Reservation for Bank Premises		200,000.00	
War Tax on Bank Note Circulation to 30th April, 1921		110,000.00	
			1,630,000.0
Balance of Profit and Loss carried forward			$1,531,927.3

GENERAL STATEMENT, 30th APRIL, 1921

LIABILITIES

Capital Stock			$ 22,000,000.0
Rest		$22,000,000.00	
Balance of Profits carried forward		1,531,927.37	
		$23,531,927.37	
Unclaimed Dividends		10,218.99	
Quarterly Dividend, payable 1st June, 1921		660,000.00	
			24,202,146
			$ 46,202,146
Notes of the Bank in circulation		$35,070,308.50	
Deposits not bearing interest		105,754,451.30	
Deposits bearing interest, including interest accrued to date of statement		310,846,487.25	
Deposits made by and Balances due to other Banks in Canada		1,281,658.60	
Balances due to Banks and Banking Correspondents elsewhere than in Canada		1,465,735.92	
Bills Payable		1,294,776.79	
			455,713,418.3
Acceptances under Letters of Credit			3,763,254.0
Liabilities not included in the foregoing			1,521,127.7
			$507,199,946.4

ASSETS

Gold and Silver coin current		$25,361,881.92	
Dominion notes		45,609,449.75	
Deposit in the Central Gold Reserves		15,200,000.00	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	$9,456,054.74		
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks	2,163,440.99		
Call and Short (not exceeding thirty days) Loans in Great Britain and United States	77,946,749.87		
		89,566,245.60	
Dominion and Provincial Government Securities not exceeding market value		20,443,903.76	
Railway and other Bonds, Debentures and Stocks not exceeding market value		4,119,239.96	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian		33,292,766.10	
Notes of other Banks		3,095,178.00	
Cheques on other Banks		15,688,903.71	
			$252,377,568
Current Loans and Discounts in Canada (less rebate of interest)		206,049,886.52	
Loans to Cities, Towns, Municipalities and School Districts		21,738,554.27	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest)		15,988,753.52	
Overdue debts, estimated loss provided for		524,577.68	
			244,301,771.99
Bank Premises at not more than cost (less amounts written off)			5,500,000.00
Liabilities of Customers under Letters of Credit (as per Contra)			3,763,254.04
Deposit with the Minister for the purposes of the Circulation Fund			1,038,166.60
Other Assets not included in the foregoing			219,185.06
			$507,199,946.49

VINCENT MEREDITH,
President.

FREDERICK WILLIAMS-TAYLOR,
General-Manager.

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The Border Cities Star
WINDSOR ONTARIO
W. F. HERMAN, Proprietor
Also The Saskatoon Daily Star and The Saskatoon Phoenix

PRESCOTT AND RUSSELL ISSUE

The counties of Prescott and Russell have disposed of an issue of $200,000 through private negotiations to the firm of R. C. Matthews & Co. The bonds are repayable in twenty instalments and bear interest at 6 per cent. The sale price has not been divulged.